

Sample Resolution

Resolution Establishing the Rate of Interest for Delinquent Taxes

WHEREAS, N.J.S.A. 54:4-67a permits the governing body by resolution to fix the rate of interest to be charged for the nonpayment of taxes, assessments, or other municipal liens or charges, on or before the date when they would become delinquent; and

WHEREAS, the statute fixes the rate of interest cannot exceed 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00, to be calculated from the date the tax was payable until the date that actual payment to the tax collector is made; and

WHEREAS, the *(insert name of municipality)* adopted *(insert Resolution Number)* setting the Rate of Interest for Delinquent Taxes at *(insert the amount)* on *(insert resolution adoption date)*; and

WHEREAS, due to the COVID-19 pandemic and the State and Federal declarations of a major disaster throughout New Jersey, the governing body of the *(insert name of municipality)* wishes to change the rate of interest for future delinquent tax payments;

NOW THEREFORE, BE IT RESOLVED, by the governing body of the *(insert the name of the municipality)* in the county *(insert name of county)* that the rate of interest for taxes unpaid after *(insert the date of the ten-day grace period following the quarterly payment)* is fixed at *(insert rate)%* on the first \$1,500.00 of delinquency and *(insert rate)%* per annum on any amount of taxes in excess of \$1,500.00 effective *(insert effective date)*; and

BE IT FURTHER RESOLVED, that the rate of interest for taxes unpaid shall be calculated from date of the quarterly payment until the date of actual payment; and

BE IT FURTHER RESOLVED, this Resolution shall be published in its entirety once in the official newspaper of the *(insert name of municipality)* and a copy of this adopted Resolution forwarded to the Division of Local Government Services in the Department of Community Affairs

Please note that if the municipality is reducing the rate for a defined period of time, i.e. one month, then the following clause should be added to the resolution:

BE IT FURTHER RESOLVED, effective *(insert effective date)* the rate of interest for taxes unpaid after *(insert the date of the ten-day grace period following the quarterly payment)* is fixed at *(insert rate)%* on the first \$1,500.00 of delinquency and *(insert rate)%* per annum on any amount of taxes in excess of \$1,500.00 effective *(insert effective date)*