



Town of Amherst

Accounts Receivable Collection Policy

Adopted December 14, 2016

The purpose of this policy is to establish set guidelines to the collection efforts of all outstanding taxes, fees, licenses, and utility bills as allowed under Section 58.1-3919 and 58.1-3952 of The Code of Virginia. Any and all bills that remain in a delinquent status for more than 60 days are subject to the actions within this document in the order provided.

Utility Accounts:

All utility accounts are subject to the payment, penalties and disconnect dates outlined in the Utility Rate and Fee Policy. If after disconnection of services or a final bill goes unpaid for the 60 day period stated above the office of the Town Treasurer may take the steps listed below.

Bank Lien:

The office of the Town Treasurer may direct a bank lien against the financial institution that the Treasurer believes is holding an account in the name of the debtor. Past payment information, including the financial institution upon which a payment was drawn from is maintained within the account payment notes in the accounting software. The financial institution shall have up to 30 days to respond to the notice given or to remit funds on behalf of the debtor.

Employment Lien:

The office of the Town Treasurer may issue to the employer of the debtor, if known, a *lien* notice on the debtor's wages to satisfy their delinquent debt with the Town.

Debt Set-Off Program:

The office of the Town Treasurer may file a list of outstanding debtors to the Department of Taxation. This allows the Department of Taxation to remit to the Town any state income tax that is owed to the debtor to satisfy their delinquent debt with the Town.

DMV Stop-Program:

The office of the Town Treasurer may apply a *DMV Stop* on the debtor's license. This step will not allow the debtor to be able to make any DMV transactions without first satisfying their delinquent debt with the Town and paying a \$20 DMV Stop Removal Fee. *This step is only applicable to outstanding personal property tax or license fees.*

Real Property Lien:

Once an account has reached a balance over \$200, the office of the Town Treasurer may place a *Real Property Lien* on the real estate owned by the debtor. The lien is filed with the Circuit Court Clerk and is placed on the property in the amount of the delinquent debt plus cost of filing.

Town Attorney:

After all of the steps referenced above have been attempted and fail, the Town may turn over any delinquent accounts to the Town Attorney for further legal action.