

Agenda Summary
April 30, 2025

Agenda Item No. A-7

Abatement of De Minimis Amounts

Summary: Pursuant to 24 V.S.A. § 1535(g) the legislative body of municipality by majority vote may abate de minimis amounts of taxes for the purposes of reconciling municipal accounts according to generally accepted accounting principles. The Town Clerk would like to abate amounts less than \$5.00 monthly and fiscal year end, as the cost to collect these amounts is likely to exceed the revenue that would be collected if all amounts were paid. The Town Clerk would also like to write off credit balances less than \$5.00 monthly at the fiscal year end as the cost to issue a refund is greater.

Town Plan & Policy Impact: N/A

Fiscal & HR Impact: As of 3/18/25 – 32 Property Parcels have balances due for less than \$5.00 for a total of \$37.42, or an average of \$1.17 per parcel. The cost of envelope \$0.12, postage \$0.69, paper and ink \$0.01 = \$.82 times 32 mailings equals \$26.24. If all amounts were paid, the Town would net approximately \$11.18 in revenue.

The labor involved in handling outgoing mail, incoming mail, and processing the payment is additional opportunity cost which reduces productivity in other areas.

Recommendation: Move to approve the abatement of monthly and fiscal year-end balances due under \$5.00 and credit balances less than \$5.00 for Property Taxes.