

## 2018 LGFCU Excellence in Innovation Award Project Evaluation

<b>Project ID</b>	GG-3
<b>Title of Program</b>	DELINQUENT TAX CREDIT REPORTING
<b>Program Category</b>	
<b>Submission Date</b>	5/29/2018 2:38:17 PM
<b>County</b>	Mecklenburg County
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<b>County Manager</b>	Dena R. Diorio
<b>Supervisor</b>	Chris Daniels
<b>Implementation Date</b>	7/1/2017
<b>FLSA Designation</b>	Both (if applicable to a team)
<b>Project Team Members</b>	Neal Dixon (Director - Tax Collector), Chris Daniels (Operations Manager)

### Description of Productivity Improvement

Good credit is an asset in today's economy, and currently data reporting is a highly effective tool for maximizing collections. Credit reporting of delinquent taxes can encourage taxpayers to satisfy their tax debt and pay their taxes timely in the future. Credit agencies can help ensure compliance and increase collections. The Mecklenburg County Office of the Tax Collector (OTC) has partnered with a collections agency, Datamax Corporation (Datamax), to collect delinquent real and personal property taxes where no applicable prescribed enforced collection remedy existed.

### Description of why this project was initiated

The OTC has partnered with a collections agency, Datamax, to collect delinquent real and personal property taxes where no applicable prescribed enforced collection remedy existed. The affected taxpayers were mailed a notice notifying them that their delinquent tax debt was turned over to Datamax to collect. Those taxpayers had 45 days from the date of the notice to pay their delinquent taxes in full, or make a payment arrangement if eligible, to avoid having the delinquent debt reported to the credit bureaus for listing in credit files.

**Quantifiable results (sustainability, cost savings, cost avoidance and/or a higher level of service).**

**Indication of what resources were used and what was done with any accrued time savings**

While the OTC achieves an extremely high collection rate each year (99.52% three-year average), there is an opportunity to maximize tax collections. Utilizing Datamax's credit reporting services has improved the OTC's collections percentage and reduced delinquencies. The OTC mailed a notice to notify taxpayers that their delinquent tax debt was turned over to Datamax to collect. In response to the notices, the OTC received payments for 415 bills totaling \$59,323.03 in delinquent taxes. The cost to partner with Datamax and mail the notices was \$23,845.55.

**Other descriptive information**

By partnering with Datamax, the OTC was able to adopt an additional way to collect delinquent taxes that would have most likely remained delinquent. Because there were no applicable prescribed enforced collection remedies available to the OTC, utilizing Datamax to report tax delinquencies to credit bureaus enabled the OTC to add weight to its collection efforts. As a result of partnering with Datamax, the OTC collected \$59,323.03 in delinquent taxes which resulted in a net gain of \$35,477.48