

TAXATION; SPECIAL

24 Attachment 1

Township of Lower Macungie

TAX COLLECTORS REPORTING PROCEDURES

The following reporting procedures are set forth to establish the protocol to be followed by the elected tax collector of Lower Macungie Township. Each item is set forth as an individual instruction to be followed and performed by the tax collector.

A. BATCHES

1. Paid tax bills shall be grouped together and remitted as batches. Batches shall be no more than 500 bills in size.
 - a. ALTERNATIVE - A computer printout including the same information as the bill may be substituted for the actual group of bills that make up a particular batch.
 - (1) This printout, if produced by the tax collector's office shall accompany each batch payment.
 - (2) In the event that the tax collector cannot produce the above requested printouts, The Township will accept the batch edit run that is produced by Lehigh County in its place. This county produced printout must be turned over to the Township within one week of the batch remittance date. However, if the report is not available from the County within this time frame, it must be provided within two days of its availability from Lehigh County.
2. Batches shall be numbered and no number shall be duplicated during any tax year.
3. Each bill must be properly stamped as to the day collected in accordance to the tax collectors' manual. Do not obscure the item number.
4. Batch reports must have a tape or print out attached showing the batch total.
5. Month and year must be on the Batch Header to assure proper crediting.
6. Batch payments shall be in the form of a check payable to Lower Macungie Township in the total amount of the taxes collected in that particular batch. (i.e., total property tax + total street lighting + total fire hydrant), unless the alternative method of direct deposit into a Township account is chosen, or required.
 - a. Should the direct deposit method of remittance be chosen, a copy of all deposit slips that are included in any batch shall be submitted to the Township treasurer under the same requirements as if a remittance had been made by check.

NOTE: The batch number must be written legibly on the front face of the check, or on the rear portion of each deposit slip.

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7. Batch all bills by payment. (Ex. if only property tax and not street light or fire hydrant is paid, then this bill must be batched separately with like bills.)
 8. Batches must be submitted to the Treasurer's office by Wednesday of the following week. A week will be considered Monday through Sunday. For the weeks which include the last day of the discount period and the last day of the gross period, an additional 10 days beyond the normal submission date will be allowed for remittance of batches to the treasurer.
 9. Batches shall not include more than one copy of a bill which has been paid.
 10. Interim bills must be batched separately.
 11. Interim bills for each tax type may use the same item number, but must be on separate bills.
 12. Reverse payment batches - Batch these bills separately - use this to reverse a paid tax due to a bad check you received, or to adjust input errors. This transaction will move a paid tax back to unpaid status.
 13. Partial payments will not be accepted.
- B. Township Tax Remittance.
1. Taxpayer payments made to the tax collector must be taken to and deposited with the bank on a daily basis.
 2. The tax collector may choose between depositing directly into a Township depository account or depositing into their own interest-bearing account. (The Township reserves the right to require direct deposit into the Township account if frequent late remittances are received from the tax collector.)
 3. If a personal interest bearing account is used, cash remittance requirements depend on collection period:
 - a. **During the net and gross period**
weekly remittance of cash collected (from Monday through Sunday) by Wednesday of the following week
 - b. **During the Penalty Period**
monthly if less than \$1,000 in collections - weekly if more than \$1,000 in collections

Interest earned from January through December shall be prorated by millage or type of tax on a percentage basis of the 12 monthly summary reports January 1 through Dec 31. The Township portion shall be remitted to the Treasurer within 30 days of the close of the period.
 4. In the event an overdraft would occur in the tax collector's account resulting from a check received in payment for Township taxes and

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issued against uncollectible funds, the township will underwrite the associated bank costs.

5. Regardless of the cash remittance method, batches must be submitted to the treasurer's office by Wednesday of the week following cash collection during the discount and net periods. Penalty period batches must be submitted to the treasurer on at least a monthly basis. As stated in Section a6, check amounts must equal the tape total of each batch submitted to the treasurer's office. The Treasurer is not responsible for balancing tax collector checks to batches.
 6. When a difference (overpayment or underpayment) is noted during processing by the treasurer's office, the treasurer will:
 - a. Note and explain the difference in writing to the tax collector.
 - b. Maintain a record of overpayment/underpayment
 - c. Correct the overpayment/underpayment by instructing the tax collector to adjust subsequent remittances, or return said overpayment to the tax collector, should the occurrence be at year end.
 7. The Township reserves the right to reject frequent late remittances by the tax collector and require payment be made by the tax collector according to date of submission, (i.e. Tax collector remits an original bill paid on 4/28 to the treasurer with a check on 7/11. The Township reserves the right to accept only the gross amount, not the net as remitted.)
- C. Reporting Requirements.
1. The tax collector shall furnish to the Township on a monthly basis, a reconciliation report of all taxes collected and remitted to the Township. A separate report shall be furnished for each type of tax, and each interim billing.
 2. The tax collector shall obtain from the County and remit to the Township on a monthly basis (to coincide with the tax collectors report in item C 1) the following reports:
 - a. Paid, and unpaid report(s) to show the current status of each item in each category of Township tax that is collected by the elected tax collector.
 - b. A batch summary report of all batches remitted in the monthly reporting period.