



Multnomah County
Department of County Management
Assessment, Recording & Taxation Division

Office Memorandum

DATE: January 26, 2011

TO: Randy Walruff, Director Division of Assessment, Recording and Taxation

FROM: Richard Teague, Program Manager

RE: Tax Write Off Criteria

The personal property collection staff is responsible for collection of delinquent taxes on centrally assessed utilities, industrial machinery and equipment, business personal property, manufactured homes, and floating home accounts.

Collection enforcement begins as soon as an account becomes delinquent. Notification is sent stating if taxes are not paid a warrant will be recorded. If the taxes are not paid the warrant is recorded, becoming a lien on any real property. Under Oregon law warrants act as judgments allowing the County to garnish bank accounts and employers. The collectors continue to attempt to contact the taxpayers in an effort to collect the taxes. Bank accounts are garnished. Tax refunds from the Department of Revenue are garnished including both tax and kicker refunds. In the case of individuals, we search for any employers so we can garnish the taxpayer's paychecks. Research is done to locate any assets that may be seized and sold to recover taxes. We search for property they may own in other counties and record our warrant there. Businesses or individuals that have relocated out of state, or are headquartered out of state, and have a significant amount of delinquent taxes are referred to the County Attorney for possible legal action.

Taxes are determined to be uncollectible when a corporation has dissolved and the personal property has been removed from the site and it cannot be located. Under Oregon law the County cannot pursue corporate officers individually for delinquent property taxes. For an individual, taxes are deemed to be uncollectible when the person is deceased or the judgment warrant is more than twenty years old and the location of any property is unknown. In the case of mobile homes and floating homes, Oregon statutes require us to write off taxes when the home has gone through the statutory abandonment process and it is either demolished or donated. Bankruptcy action will stop all collection activity until it is settled. The amount of taxes that can be collected can be reduced by the Bankruptcy Court and the remainder would be uncollectible.

There is no set period of time that needs to pass before taxes may be written off. In the case of an account in bankruptcy or a manufactured home that is abandoned, the taxes may be determined to be uncollectible quickly. With an individual, taxes can remain on the tax roll until the warrant expires after twenty years. All enforcement options are exhausted before taxes are written off.