

House Bill 204: No Fees on Property Tax Bills

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HB 204 would prohibit local governments from placing any fees or other charges on property tax bills. While the bill's author maintains that placing such fees on property tax bills exposes the property owner to potential liens and losing of their homes due to unpaid fees, examples of that happening have not been provided.

In contrast, placing fees on property tax bills provides convenience to citizens, lowers counties' administrative costs, and results in higher collection rates. Because experience has shown that billing fees separately can significantly impact collections, counties could be faced with either raising fees for those who do pay in order to continue providing vital services, or shift those fees to property taxes. In addition, for those counties that currently do include fees on property tax bills, separating those billings will likely result in substantial administrative costs.

ACCG believes that the decision on whether to bill separately or collectively for taxes and fees is best left to local officials, who are better positioned to respond to the specific desires of their citizens.

HB 204 has been favorably reported by the House Ways & Means Committee and will likely be on the House floor next week. Please contact your House delegation members to let them know your opinions on this legislation.