

Alternate Ways of Collecting Taxes

Q. I was just wondering if IIMC had any feed back from villages that used R.I.T.A. Our Tax Administer will be retiring and our council is considering alternate ways of collecting the taxes.

A. Most, if not all, of Alabama municipalities collect through the County Tax Assessor/Collector to handle all assessment and collection of municipal taxes. We sent in an ordinance each year adopted by the Council giving them the authorization to collect the City levy and remit back to the City. They receive compensation in the amount of $\frac{1}{2}$ of 1% each for handling this for the City.

Other than not receiving full detail in a report as to how the homestead exemption is deducted and exactly what revenue is derived from each individual property, we've never had any problems with it. I can access their database and determine individually what a property's assessment is and how much they paid in municipal taxes.

I am not familiar with the acronym R.I.T.A. but here is how the City of DeWitt (pop. 4,700) handles property taxes. On behalf of our public schools, intermediate school, community college, County, library, local transportation, and of course, the City, our City Treasurer prepares, mails, collects payments and distributes the collected amount of property taxes to each of the entities we collect for. We levy and keep a 1% administration fee for providing this service. We collect property taxes twice a year (July and December tax rolls). All unpaid property taxes are turned over to the County Treasurer as delinquent on March 1st. The County Treasurer then becomes responsible for collection of the property taxes which may ultimately lead to a tax sale if it remains unpaid.

A. RITA is a wonderful company and have been strong supporters of the OMCA. Their contact information is:
Charles B. Hawk
1-800-860-RITA