



RAYMOND J. WOJTOWICZ

Wayne County Treasurer

DAVID J. SZYMANSKI

Chief Deputy

CHRISTA J. MCLELLAN
Deputy/Financial Services

ERIC R. SABREE
Deputy/Land Management

May 21, 2013

Dear Representative Farrington,

I urge your support of HB 4409.

Presently there exists a legislatively mandated 18% interest rate on delinquent taxes in the second year of delinquency. In our stable communities that rate seems well designed to encourage taxpayers to make payment and, if not, foreclosure and sale of the property brings in the revenue. However such is not the case in our distressed communities.

There are numerous tax foreclosed homes that won't sell for \$500. With the imposition of the interest rate the homeowner often owes \$4,000-8,000 in taxes, penalties, and interest. The 18% is driving people from their homes, the property becomes vacant, the property is stripped in a matter of weeks, and there is no longer value to the property which then is a blight on the community. We simply don't have the money to tear them all down.

HB 4409 is an effort to address this problem. The increased interest rate, in distressed communities, does not accomplish the goal for which it was established. Rather than coercing payment of taxes it creates a delinquent tax obligation that is out of reach for distressed taxpayers. I urge your support of this legislation.

Sincerely,

Raymond J. Wojtowicz
Wayne County Treasurer