

MEMPHIS CITY COUNCIL SUMMARY SHEET

Resolution to approve the sale of a portion of the City of Memphis's outstanding delinquent property tax receivable accounts.

- This Resolution authorizes the Administration to sale a portion of the City of Memphis's delinquent property tax accounts. The FY2011 general fund operating budget includes projected revenue of 4.5 million from the sale of delinquent taxes.
- The initiating party is the Division of Finance.
- This Resolution does not change any existing Ordinance or Resolution.
- The Resolution will require new a revenue contract with the successful vendor who purchases the City's delinquent property tax receivable accounts.

RESOLUTION

WHEREAS, pursuant to Tennessee Code 67-5-2012- Election to Sale Tax Receivables, any taxing agency by resolution of its governing body may elect to sell its tax receivables to public or private parties; and

WHEREAS, this strategy has been successfully executed by other municipalities in Tennessee and across the country for many years; and

WHEREAS, to evaluate this strategy and accelerate the collection of delinquent tax revenues the Administration plans to execute this strategy on a trial basis and sale a portion of its delinquent property tax accounts; and

WHEREAS, the FY2011 general fund operating budget includes a projected \$4.5 million in additional delinquent tax revenue derived from the execution of this revenue enhancement strategy; and

WHEREAS, the Council of the City of Memphis does elect to sell the tax receivables of the City of Memphis.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Memphis, that the City of Memphis elects to sell its delinquent tax receivables and that this resolution shall take effect after its adoption.