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City Attorney Recoups Record Amount *Over \$4.8 million in delinquent taxes, fees, and fines collected in 2011*

COLUMBUS, OH—Upon completing an annual review, Columbus City Attorney Richard C. Pfeiffer, Jr. announced that his office collected a record amount of debt owed to the City of Columbus in 2011. In-house collections from the City Attorney’s Claims Section, which employs three attorneys and three support staff members, was \$2,406,479.57. Outside collection agencies hired by the City Attorney recovered another \$2,489,957.00, for a total of \$4,896,436.57 collected from delinquent taxpayers. A total of 2,287 new tax suits were filed in 2011.

“Our collection efforts level the playing field for honest, law-abiding taxpayers by obtaining payments from those who otherwise were avoiding their obligation to pay their fair share,” said City Attorney Pfeiffer.

Tax debtors have ample opportunity to set up a payment plan prior to any legal action taken against them to ensure simple errors and mistakes are rectified. Before a case reaches the City Attorney’s Claims Section, an individual or business entity first must fail to respond to multiple notices and warnings from the City Auditor’s Income Tax Division over the course of several months. Once the Income Tax Division exhausts all options, the matter is turned over to the Claims Section, which also attempts to set up a short-term payment plan with the tax debtor.

If the debtor continues to be non-responsive, the City Attorney’s office files a claim in either Small Claims Court, Municipal Court, or the Court of Common Pleas, depending on the amount of money owed to the city.

If the tax debtor and the Claims Section are able to agree on a negotiated payment plan, an agreed judgment entry is filed with the respective court and, if sanctioned by the court, is recorded as a binding judgment. If the tax debtor fails yet another time to take action once a claim is filed in court, a default judgment will be issued.

All default judgments are sent to outside collection agencies, which triggers an extra 30% collection fee that the debtor must pay in addition to the delinquent taxes owed to the city. This additional administrative fee was incorporated in 2009 after legislation proposed by City Attorney Pfeiffer and sponsored by Councilmember Eileen Paley was adopted by City Council.

The legislation ensures that the city recovers all of its outstanding debt, and the fee for collection services is added to what the debtor owes.

“It’s important for us to go after these funds since income tax receipts account for nearly seventy-one percent of the city’s general revenue fund budget, which pays for police and fire, refuse collection, city parks and recreation centers, job creation and economic development efforts, and all other operating expenses for the city,” Pfeiffer said.

The Claims Section also worked closely with the City Auditor’s office to step up collection enforcement against delinquent Hotel-Motel Excise Tax debtors, and assisted in the development of new procedures which enable the city to stop payment to vendors doing business with the city who are also tax debtors, until the tax delinquency is resolved.

Both in-house and outside agency tax collections have doubled since Pfeiffer took office in 2003.

Year	Outside Agency Tax Collections	In-House Tax Collections
2002	\$911,453	\$882,878.73
2003	\$730,575	\$1,067,244.67
2004	\$568,913	\$1,395,328.56
2005	\$452,331	\$1,516,249.98
2006	\$813,392	\$1,449,280.87
2007	\$1,035,252	\$1,418,153.63
2008	\$1,038,303	\$1,679,901.56
2009	\$1,222,862	\$1,946,599.65
2010	\$1,779,954	\$2,125,521.37
2011	2,489,957.00	2,406,479.57

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