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Messy Transition to New Property Tax Collection System Leads to Overcharging, Unforeseen Fees, Amnesty Program Errors and More; Roach Apologizes

Government / **Published On June 09, 2022 05:27 AM /**

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A messy transition to a new collections system at the Office of the Lieutenant Governor's Real Property Tax Division has led to overcharging of certain property owners, unforeseen charges for others and errors in the amnesty program that cause bills to not reflect savings the program offers.

These are just some of the issues caused by the system, with another error being found in the HomeStead Tax Credit program where previously qualified property owners have received tax bills where the credit is either not shown or applied.

The OLG on Wednesday evening issued a release divulging the extent of the problem, with Lieutenant Governor Tregenza Roach describing the matter as "growing pains" while apologizing

for the issues. The new system was implemented in May, according to the OLG.

"What we are witnessing with the new system is basically growing pains, but this new system will result in the overall improvement of the collection system and increased revenues to our government," Mr. Roach said. "We are asking taxpayers to bear with us as we work through the kinks and rectify their issues one by one. I sincerely apologize for the inconveniences."

The press release from the OLG follows Consortium reporting on the issues after multiple residents reached out to the publication about [exorbitant year-over-year increases to their property tax bills](#).

Regarding increases in property tax bills, the release says "some properties have been reassessed based on improvements to the property over the period 2018-2022, verified through OLG field inspections, and on sales data reflecting the value of property sales in their area." It adds that "any reassessment would result in an increase in the assessed value of a property. The new system is capturing this assessment data that may not have been factored into a prior year billing."

Property owners appear to have been caught off guard by these additional charges for assessments, and the release gives no indication that notification was provided ahead of time.

Aside from the new charges for assessments performed between 2018-2022, the OLG provided the following explanations:

Government Entities Receiving Tax Bills

- In some instances, government agencies may have never received a property tax bill before but are also seeing tax bills that show amounts owed to the Office of the Lieutenant Governor. This is attributed to the fact that while these government properties do not pay property taxes, they are still responsible for sewer fees. Some entities may not have received bills for sewer fees in the past, which now result in past due sewer fee amounts for previous years on the issued tax bills.

Condo Owners

- Condo owners may have been taxed at the incorrect millage rate, resulting in increases of double or more over the prior year. The Real Property Tax Division has made those corrections in the internal operating system and those affected property owners will be sent a supplemental tax bill that accurately reflects taxes due.

Amnesty Payments

- During the final two weeks of the amnesty period, the Real Property Tax Division's online portal was being converted to the new billing and collection system. Bills issued may not reflect amnesty payments. The system is being updated to reflect those payments. Property owners who took advantage of the property tax amnesty and made payments during the designated amnesty period will receive supplemental bills showing only amounts currently due.

Homestead Tax Credits

- Property owners who previously qualified for and received Homestead Tax credits, may have received tax bills wherein the credit is not shown or applied to the bill amount. This error has also been corrected in the internal system by the Real Property Tax Division and supplemental bills will be issued indicating the applied credit amount.

According to the OLG, property owners, upon review of their 2022 property tax bill who believe that they may have an issue with their tax bill or may have received a tax bill with an incorrect amount in error, are asked to contact the Office of the Tax Assessor via email at propertytaxreview@lgo.vi.gov or by utilizing the following telephone numbers and designated prompt options:

- St. Thomas - (340)774-2991, option 2 or option 5.
- St. John - (340) 774-2992, option 6.
- St. Croix (Christiansted) - (340) 773-6449, option 5 or option 8.
- St. Croix (Frederiksted) - (340) 773-6449, option 6.

Property owners who have not received their 2022 tax bill are asked to contact the Office of the Tax Assessor to verify their mailing address. "It is important to note that the 4-digit postal code following the zip code for addresses is needed when providing the address to the Office," stated the release.

"The newly converted billing and collection system is now capturing and utilizing data in accordance with industry standards. The system will include new features that will enhance the ability to perform searches, get comparable sales data, make payments, and perform other related property services," Mr. Roach said. The Citizen Access Portal is available by visiting: <https://propertytax.vi.gov>.