

Don Adams

From: Don Adams
Sent: Wednesday, June 27, 2018 11:38 AM
Subject: FY 2017-2018 Dillsboro Vehicle Tax Issue
Attachments: Dillsboro Vehcile Tax Issue.pdf

Hello Commissioners,

Attached to this email is a file that contains three documents. These documents are a letter from Tax Administrator Bobby McMahan written to me, a sample letter that will be written to all Dillsboro Citizens who paid vehicle taxes in FY 17-18 and a Draft refund form for those who are owed a refund.

It was discovered approximately one month ago that the tax rate being applied through the NC Department of Motor Vehicles onto vehicles for Dillsboro residents was over stated by three cents per one hundred dollars of value. It has been determined that a total of 173 Dillsboro residents may have overpaid their vehicle taxes by \$425.72 in FY 17-18. These overpayments may range from less than one dollar to nineteen dollars. NC law must be followed when refunding taxes. Part of this law requires the tax payer to submit a refund request in writing to the tax office to qualify for a refund. The Jackson County Tax Office has devised a method that will ensure those who qualify for a refund will be contacted and will simplify the refund process. Please read Mr. McMahan's letter to me for a more detailed explanation.

All Dillsboro citizens who overpaid their vehicles taxes will receive a letter from Bobby McMahan (sample attached) stating the circumstances and that they may be due a refund. This letter will be mailed Friday, June 29, 2018. Along with this letter will be a pre-filled refund letter (draft attached) that states the citizens information, tag id, value of vehicle, balance due and refund amount. If the citizen is due a refund then all they have to do is sign / date the letter and return it to the tax office. A refund check will be issued.

Please let me know if there are any questions or concerns.

Don Adams
Jackson County Manager
401 Grindstaff Cove Rd, Suite A207
Sylva, NC 28779
828-631-2295
donadams@jacksonnc.org



Jackson County Tax Administration

401 Grindstaff Cove Road • Sylva, North Carolina 28779

Phone: (828) 586-7567 • Fax: (828) 586-7515

June 27, 2018

Don,

As you are aware, an error was discovered in late May concerning the North Carolina Tag and Tax System as it pertained to the Town of Dillsboro. The total tax rate entered into the NCDMV billing system was over-stated by three cents. This only pertains to registered (tagged) motor vehicles and for the period of July 1, 2017 to June 1, 2018.

Upon investigation with staff members from the North Carolina Department of Revenue to determine how the error occurred, we have discovered that is pretty much impossible. Therefore, the lesson learned from this event is to perform multiple checks within the NCDMV billing system, not just at the beginning of the fiscal year, but throughout the fiscal year.

Due to the over-stated tax rate, some taxpayers would be due a refund. County staff has downloaded several reports from NCDMV to determine exactly which taxpayers would be involved in this process. Each billing cycle was examined and files were created for those who are due a refund. A cover letter has been written with a brief explanation of the situation. A form was also created with ownership information, vehicle information and the amount of the refund. As stated on the form, we are asking that each taxpayer wishing to pursue the refund process return the form signed and dated to this department. This act would satisfy NCGS 105-381, which requires written refund request regardless of cause or amount. The information packets will be mailed to each taxpayer on Friday June 29, 2018. 173 refund forms will be mailed. The total refund amount for the Town of Dillsboro will be \$425.72.

All the above should provide a remedy for this incident that has occurred involving NCDMV and the Town of Dillsboro. This incident also provoked changes for quality control going forward with the NC Tag and Tax billing system.

If the Tax Administration staff can be of further assistance with this matter, please let us know.

Best Regards,

A handwritten signature in black ink that reads "Bobby McMahan".

Bobby McMahan
Tax Administrator

June 29, 2018

Dear Tax Payer,

This letter is regarding the North Carolina Tag and Tax System as it pertains to the Town of Dillsboro. Recently, a discovery was made of an error in the tax rate applied to existing register motor vehicles for the Town of Dillsboro. This only pertains to registered motor vehicles and covers the time **between July 1, 2017 and June 1, 2018**. The tax rate was over stated by three cents per one-hundred dollars of value on the N.C. DMV invitation to renew vehicle registration during the previously stated time-period. Due to this error, you could potentially receive a refund. See the enclosed form to determine if you will be eligible for a refund.

Bobby McMahan
Tax Administrator
Jackson County Tax Administration



JACKSON COUNTY TAX ADMINISTRATION

401 GRINDSTAFF COVE RD, SUITE 132

SYLVA NC 28779

(828)586-7541 fax (828)586-7515

John Q Public
45 Poverty RD
Apt# 20
Dillsboro, NC 28725

Vehicle Year/Make/Model
1996 Toyota Corolla

Tag #
ABD-1234

DRAFT

Current Vehicle Assessment Value
\$6,000

Current Tax Amount Balance Due
\$0

Refund Amount Due
\$0.88

If you would like the Tax Administration staff to process the above stated refund amount, you must sign and date the form. This form should be returned to the Tax Administration Department within 30 days of this notice.

Tax Payer Signature _____ Date _____

July