

Amnesties

Amnesties: The City has offered three amnesty programs for various types of debt over the past 13 years.

Background

The details of the three amnesty programs the City has offered since 2002 are outlined below:

Period	Debt Type(s)	Amnesty Offered	\$ Outstanding	\$ Collected	Additional Incentive
Sept to Oct 2002	Parking tickets	Waived penalties for motorists with balances less than \$5,000 (prior to 2000)	\$200M	\$9M	Lowered the threshold for boot eligibility from 5 to 3 tickets
Oct to Dec 2005	1) Taxes from businesses that never filed or paid ¹ 2) Taxes from businesses that filed but underpaid and were subject to City audit ¹ 3) Real property transfer taxes 4) Special assessments 5) Fines imposed by Administrative Hearings 6) Inspection fees	1) If voluntarily paid taxes due from July 2003 to Oct 2005, waived all taxes due prior to July 2003 and all interest and penalties 2) Waived interest and penalties (prior to 1999) 3) Waived interest and penalties (prior to 2005) 4) Waived interest and penalties 5) Waived 50% of all fines, penalties, and interest (prior to 2004) 6) Waived 50% of fees	\$741M	\$8M	For taxes offered as part of the amnesty – an additional 20% penalty was assessed to any taxpayer or tax collector that chose not to participate. Expanded payment plan terms for parking ticket fines were also offered at this time.
Dec 2008 to Feb 2009	Parking and red light violation fines	Waived 50% of penalties and any outstanding booting, towing, and storage fees (prior to 2007)	\$918M	\$7M	Lowered the threshold for boot eligibility from 3 to 2 tickets for tickets over a year old

Revenue Impact

Revenue from a new amnesty program would be dependent upon the terms of the amnesty (debt type, debt years, length of amnesty and incentives, if any).

A portion of any revenue would be offset by the cost of administering the amnesty program. In addition, debtors who might otherwise have paid their full debt could take advantage of the amnesty, and ongoing collections may be impacted if future debtors choose to wait for an amnesty program rather than pay accrued debt and penalties.

Legal Authority

Implementing an amnesty program is within the City's authority and requires City Council action.

¹ 'Taxes' did not include regulatory, compensation or franchise fees, special assessments, the cigarette tax, the automatic amusement device tax, wheel tax license fees, or the Metropolitan Pier and Exposition Authority airport departure tax.