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Delinquent property taxes rise amid economic woes

By [MIKE SALINERO](#) | The Tampa Tribune

Taxes on more than 46,000 properties in Hillsborough County were in arrears as of April 1, a record that indicates many county residents are facing economic difficulties.

Though the number of delinquent properties for 2008 was just 3 percent higher than the previous year, the number has been gradually rising since the real estate market started going south in 2006.

"Last year we showed an increase," said Dana Dove, general manager of the processing operations center for Tax Collector Doug Belden. "It's been gradually increasing every year, and it's definitely due to the economy."

Nearly \$160 million in property taxes are still owed to the county for 2008, an increase of \$16 million from the previous year. But Dove said most of the money will eventually be paid, either by the property owner themselves, or mortgage holders who want to protect their interest in the property.

To encourage payment, the tax collector's office will hold a tax certificate sale for delinquent properties on May 30. Mostly investors bid on the certificates to earn interest on the outstanding tax debt. Though the lowest interest rate bid on a property gets the certificates, state law guarantees the winning bidders a minimum return of 5 percent.

If no one pays the tax on a property by 22 months after the sale, the certificate holder can foreclose on the property. But Dove said the investors are mostly interested in the interest, not the property. "Most of the time the taxes get paid and that's what we want," Dove said.

Certificates that are not sold at the May 30 sale are held for 22 months at 18 percent interest. If no one comes in to purchase the county certificates, then the county will foreclose on the property as long as the value is above \$5,000.