§ 1184. Payment of delinquent taxes in installments. 1. Definitions. As used in this section:

(a) "Eligible delinquent taxes" means the delinquent taxes, including interest, penalties and other charges, which have accrued against a parcel as of the date on which an installment agreement is executed.

(b) "Eligible owner" means an owner of real property who is eligible to or has entered into an installment agreement.

(c) "Farm property" means property which qualifies as farm property pursuant to section eleven hundred eleven of this article.

(d) "Installment agreement" means a written agreement between an eligible owner and the enforcing officer providing for the payment of eligible delinquent taxes in installments pursuant to the provisions of this section and the local law adopted hereunder.

(e) "Residential property" means property which qualifies as residential property pursuant to section eleven hundred eleven of this article.

2. Installment payment of eligible delinquent taxes. The governing body of a tax district is hereby authorized and empowered to enact and amend a local law providing for the installment payment of eligible delinquent taxes. Such installment payment of eligible delinquent taxes shall be made available to each eligible owner on a uniform basis pursuant to the provisions of this section and the local law. Such installment payment of eligible delinquent taxes shall commence upon the signing of an agreement between the enforcing officer and the eligible owner. The agreement shall be kept on file in the office of the enforcing officer.

3. The local law enacted pursuant to this section shall provide:

(a) the maximum term of installment agreements, which shall not exceed thirty-six months;

(b) the payment schedule, which shall be monthly, bi-monthly quarterly or semi-annually;

(c) the required initial down payment, if any, which shall not exceed twenty-five percent of the eligible delinquent taxes;

(d) the properties to which the local law shall apply, which shall be either (i) residential property, (ii) both residential and farm

property, or (iii) all properties within such tax district; and

(e) other terms and conditions consistent with the provisions of this section.

4. A property owner shall not be eligible to enter into an agreement pursuant to this section where:

(a) there is a delinquent tax lien on the same property for which the application is made or on another property owned by such person and such delinquent tax lien is not eligible to be made part of the agreement pursuant to this section;

(b) such person is the owner of another parcel within the tax district on which there is a delinquent tax lien, unless such delinquent tax lien is eligible to be and is made part of the agreement pursuant to this section;

(c) such person was the owner of property on which there existed a delinquent tax lien and which lien was foreclosed within three years of the date on which an application is made to execute an agreement pursuant to this section; or

(d) such person defaulted on an agreement executed pursuant to this section within three years of the date on which an application is made to execute an agreement pursuant to this section.

5. A property owner shall be eligible to enter into an agreement pursuant to this section no earlier than thirty days after the delivery of the return of unpaid taxes to the enforcing officer.

6. The amount due under an installment agreement shall be the eligible delinquent taxes plus the interest that is to accrue on each installment payment up to and including the date on which each payment is to be made. The agreement shall provide that the amount due shall be paid, as nearly as possible, in equal amounts on each payment due date. Each installment payment shall be due on the last day of the month in which it is to be paid.

7. Interest and penalties. Interest on the total amount of eligible delinquent taxes, less the amount of the down payment made by the eligible owner, if any is required, shall be that amount as determined

pursuant to section nine hundred twenty-four-a of this chapter, or such other law as may be applicable. The rate of interest in effect on the date the agreement is signed shall remain constant during the period of the agreement. If an installment is not paid on or before the date it is due, interest shall be added at the applicable rate for each month or portion thereof until paid. In addition, if an installment is not paid by the end of the fifteenth calendar day after the payment due date, a late charge of five percent of the overdue payment shall be added.

7-a. Waiver of interest and penalties for certain eligible deployed military members. A county, city, town, village or other taxing entity may adopt a local law, resolution or ordinance to waive interest, penalties and fees as would otherwise be imposed pursuant to this section, provided that:

(a) the financial hardship was caused in substantial part by the owner's having been ordered to active military duty in the United States armed forces including the reserve components of such armed forces;

(b) the deployment lasted for at least six contiguous months, or the owner was killed in acting during such activation; and

(c) the owner provides satisfactory written evidence as prescribed in the local law, resolution or ordinance that the chief elected officer or such county, city, town, village or taxing entity, or their designee, or any other official that may be designated by such law, ordinance or regulation.

8. Default. (a) The eligible owners shall be deemed to be in default of the agreement upon:

(i) non-payment of any installment within thirty days from the payment due date;

(ii) non-payment of any tax, special ad valorem levy or special assessment which is levied subsequent to the signing of the agreement by the tax district, and which is not paid prior to the receipt of the return of unpaid taxes by the enforcing officer; or

(iii) default of the eligible owner on another agreement made and executed pursuant to this section.

(b) In the event of a default, the tax district shall have the right to require the entire unpaid balance, with interest and late charges, to

be paid in full. The tax district shall also have the right to enforce the collection of the delinquent tax lien pursuant to the applicable sections of law, special tax act, charter or local law.

(c) Where an eligible owner is in default and the tax district does not either require the eligible owner to pay in full the balance of the delinquent taxes or elect to institute foreclosure proceedings, the tax district shall not be deemed to have waived the right to do so.

9. Notification of potential eligible owners. (a) Within forty-five days after receiving the return of unpaid taxes from the collecting officer, or as soon thereafter as is practicable, the enforcing officer shall notify, by first class mail, all potential eligible owners of their possible eligibility to make installment payments on such tax delinquencies. The enforcing officer shall add one dollar to the amount of the tax lien for such mailing, if the local law provided for such a charge.

(b) The failure to mail any such notice, or the failure of the addressee to receive the same, shall not in any way affect the validity of taxes or interest prescribed by law with respect thereto.

(c) The enforcing officer shall not be required to notify the eligible owner when an installment is due.

10. Where an installment agreement so provides, the lien or liens to which the agreement relates may be sold to the state of New York municipal bond bank agency, or a tax lien entity created thereby, pursuant to title five of this article. In case of such a sale, the rights and duties of the tax district under the agreement shall be assumed by the tax lien purchaser. The tax lien purchaser shall continue to allow the owner or owners to make installment payments in the amounts and at the times called for by the agreement, as they did prior to the sale to the tax lien purchaser. However, such payments shall be made to the tax lien purchaser or its tax collection agent, rather than to the tax district, unless the tax district and the tax lien purchaser have agreed otherwise.

11. The provisions of this section shall not affect the tax lien against the property except that the lien shall be reduced by the

payments made under an installment agreement, and that the lien shall not be foreclosed during the period of installment payments provided that such installment payments are not in default.