

Town of Acton Dishonored Checks Policy

This policy describes the processing and collection of dishonored checks. All checks payable to the Town of Acton are processed on the day received. Checks returned from a bank unpaid (dishonored) will be subject to fees in accordance with Maine laws.

A personal check for less than \$2,500 which is dishonored by a bank for Non-Sufficient Funds will be referred to a third-party collection agency. The agent will attempt to collect the check 3 times and will charge a fee for its services. If unable to collect the check, the check is returned to the Treasurer for other methods of collection as described below. Dishonored personal checks for \$2,500 or more and all business checks are returned directly to the Treasurer by the bank.

- A Notice of Dishonor (Exhibit A) will be sent via Certified Return Receipt Mail. Payment is required within 10 days of receipt of the notice. The town will charge a return check fee, plus mailing costs, for each returned check.
- If payment has not been received within the time specified in the Notice, the matter will be reported to the County Sheriff's Office. All information pertaining to collection will be kept together for future legal proceedings.
- Other collection steps include --

Motor Vehicle Registration: The town may notify the Bureau of Motor Vehicles to suspend the registration and confiscate the license plates.

Tax Payments: In the case of property/real estate/supplemental/special tax, liens may be attached to the property. The taxes will not be considered paid until full payment has been received by the town.

Recreational Licenses/Registrations: The appropriate state office will be notified to cancel the license or registration.

Payments to cover a dishonored check, including fees, will be accepted only in the form of cash, money order or cashier's check. Partial payment will not be accepted. A receipt will be issued by the town when full payment is received.

A *Do Not Accept Checks* list will be maintained naming persons and entities who have given dishonored checks to the town 2 times in a period of 2 years. For the next 4 years, payments from these persons and entities will only be accepted in the form of cash, cashier's check, or money orders.

For matters forwarded to the Sheriff's Office, restitution for a check will not be accepted without the town first contacting the Sheriff's Office.

Adopted 2006, Amended: July 26, 2012



Theodore Kryzak, Chairman



Bill Shields



Ed Walsh

Board of Selectmen, Assessor, and Overseer of the Poor