

# Don't Drop the Baton

Successfully Collecting Taxes  
Takes A Team Effort

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Plymouth County Collectors, Treasurers &  
Assessors Associations Joint Meeting

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# Real Estate Tax Collection is like a Relay Race

## First Leg: Assessment of the Real Estate Tax

Assessors Office runs the first leg of the race by:

- keeping tax map current



# In Order to Run a Good Race It's Important to Get Off to a Clean Start

## Keep the Tax Map Current

- “there is no statutory definition of the lot or parcel of land that is the lawful unit for the creation of a tax.” *City of Boston v. Boston Port Development*
- Subdivisions/Form A Plans
- Avoid Twilight Zone Parcels & Maps





# Real Estate Tax Collection is like a Relay Race

## First Leg: Assessment of the Real Estate Tax

Assessors Office runs the first leg of the race by:

- keeping tax map current
- keeping property owners' names & addresses current



# In Order to Run a Good Race It's Important to Get Off to a Clean Start

## Keep Property Owners' Names & Addresses Current

- Taxes must be assessed to the Owner as of January 1<sup>st</sup>. (G.L. c. 59, § 11)
- Assessors can have title exams done and then create a lien to recover the cost (G.L. c. 59, § 12F)
- Affidavits of Address (G.L. c. 59, § 57D)



# Real Estate Tax Collection is like a Relay Race

## First Leg: Assessment of the Real Estate Tax

Assessors Office runs the first leg of the race by:

- keeping tax map current
- keeping property owners' names & addresses current
- assessing the property as shown on the Assessors Maps





# In Order to Run a Good Race It's Important to Get Off to a Clean Start

## Assess the Property as Shown on the Tax Map



- Make sure the Tax Map reflects what's on the ground

# Real Estate Tax Collection is like a Relay Race

## Second Leg: Real Estate Tax/Taking

Collectors Office runs the second leg of the race by:

- issuing timely & accurate bills
- chasing returned mail (with the Assessors Office)
- conducting timely and accurate Tax Takings





## In Order to Run a Good Race It's Also Important to Run a Clean 2<sup>nd</sup> Leg

- while the failure to receive a tax bill will not invalidate the tax, it could jeopardize the interest.
- the Tax Taking creates the right to foreclosure in the Land Court and so the Court will carefully review it
- try to minimize Takings & Subsequent Certifications



# Real Estate Tax Collection is like a Relay Race

## Third Leg: Collection Activity

Treasurer's Office runs the third leg of the race by:

- contacting taxpayer or mortgage holder
- enforcing G.L. c 60, § 93 and  
G.L. c 40, § 57



# Offsetting Payments v. Withholding Permits

- Pursuant to G.L. c.60, § 93 a municipality may offset payments due to a person or business who is past due on a municipal payment – but there are limitations
- Pursuant to G.L. c.40, § 57 a municipality may deny, revoke or withhold a permit, license or approval – but there are limitations





# Real Estate Tax Collection is like a Relay Race

## Third Leg: Collection Activity

Treasurer's Office runs the third leg of the race by:

- contacting taxpayer or mortgage holder
- enforcing G.L. c 60, § 93 and  
G.L. c 40, § 57
- negotiating Installment Agreements



## Negotiating Installment Agreements

- Treasurers have always negotiated Installment Agreements, but in 2004 the ability to do so became statutory with the enactment of G.L. c.60, § 62A
- Agreements should facilitate collection and must be in writing
- The Land Court looks favorably on Installment Agreements



# Real Estate Tax Collection is like a Relay Race

## Fourth Leg: Foreclosing Tax Title

Tax Title Attorney runs the fourth leg of the race by:

- filing Petitions to Foreclose at Land Court

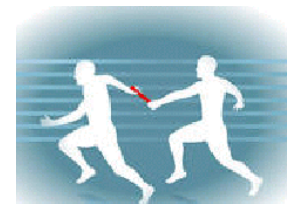




# It's Tax Collection, Not Property Acquisition

“The purpose of those provisions is not to provide municipalities with a method of acquiring property for municipal purposes without paying the owner of the property fair compensation as in eminent domain proceedings.”

Town of Lynnfield v. Owners Unknown



# Real Estate Tax Collection is like a Relay Race

## Fourth Leg: Foreclosing Tax Title

Tax Title Attorney runs the fourth leg of the race by:

- filing Petitions to Foreclose at Land Court
- negotiating Deeds in Lieu
- coordinating Tax Possession Sales



# Just A Quick Review

Assessment

Taking

Notice of  
Filing Petition

Decree



Municipal  
Lien Cert.

Instrument  
of  
Redemption

Withdrawal

Vacation of  
Judgement



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# Real Estate Tax Collection is like a Relay Race

- While some may think Tax Collection is a Relay Race, its relay more of a Relay Race with hurdles.
- Let's look at some of them....



## Owners Unknown

- Can only assess Owner Unknown with DOR Permission (G.L. c. 59, § 11)
- “cannot by reasonable diligence ascertain the name of the person appearing of record”
- Assessors can have title exams done and then create a lien to recover the cost (G.L. c. 59, § 12F)



## Rollback & Conveyance Taxes

- Chapter 394 of the Acts of 2006 made uniform the penalties/repayments under Chapters 61, 61A & 61B
- now greater of either:
  - Repayment of most recent five (5) years of deferred tax plus 5%; or
  - Conveyance Tax (see Chapter 61A);
  - But not both





## Revised & Omitted

- Revised - when the mistake resulted in the tax on the parcel or account being underassessed (G.L. c. 59 § 76)
- Omitted - when the mistake resulted in the entire parcel or account being omitted from the annual Commitment (G.L. c. 59 § 75)
- Adds to the Commitment
- Must be done by June 20<sup>th</sup>



# Reassessments

- Assessors may reassess a tax to the person to whom it ought at first to have been assessed (G.L. c. 59 § 77)
- There is no time period within which it must be done
- Does not add to the Commitment



## Supplemental Taxes (G.L. c. 59 § 2D)

- Applies automatically unless specifically rejected by a municipality.
- Two requirements:
  - Temporary or Permanent Certificate of Occupancy issued during the fiscal year
  - Improvements made after Assessment Date increase value by >50%
- Pro-rata (& possible Pro-forma)





# Questions & Answers

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