

Don't Drop The Baton -



Successfully Collecting Real Estate Tax is a Team Effort !


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Successfully collecting Real Estate Tax is really like running a relay race.

Just like a relay race, collecting Real Estate Tax takes a team effort.

Our Team includes the Assessor's Staff, the Collector's Staff, and the Treasurer's Staff.




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There are four "legs" to our Relay Race.

The first two legs of the race are run by the Assessor's Office and the Collector's Office.


The last two legs are run by the Treasurer's Office and the Tax Title Attorney.



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There are two goals for this presentation:

- To help folks understand what their office must do to run a clean leg of the race.
- To help folks understand how running their leg affects the entire race.




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First Leg: Assessment of the Real Estate Tax.

The Assessor's Office runs a clean first leg of the race by:

- Keeping the Assessors' Maps current;
- Keeping Property Owner's names and addresses current;
- Validly assessing the property as shown on the Assessors' Maps.




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

Keeping the Assessors' Maps current:

- "there is no statutory definition of the lot or parcel of land that is the lawful unit for the creation of the tax." *City of Boston v. Boston Port Development.*
- Assessors have much discretion.




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

Keeping the Assessors' Maps current:

- Recorded Subdivision/ANR Plans
- Apportionment After Assessment - G.L. c 59, § 78A
- Avoid "twilight zone" parcels & maps.




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

Keeping Property Owner's names & addresses current:

- Taxes must be assessed to Owner as of January 1st (G.L. c. 59, § 11);
- Affidavits of Address (G.L. c 59, § 57D).




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

Keeping Property Owner's names & addresses current:

- Owners Unknown (G.L. c. 59, § 11);
- "cannot by reasonable diligence ascertain the name of the person appearing as of record;
- Supporting documentation.




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

Keeping Property Owner's names & addresses current:

- Assessors can have title exams done and then place a lien on the property to recover the cost (G.L. c 59, § 12F);
- Don't change the name of the Assessed Owner midyear - use "Care of" Bills.




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

Validly Assess the Property as Shown on Tax Maps:


Main Street	
Lot 100 5,000 sf	Lot 101 5,000 sf

- Tax Map should reflect what's on the ground.



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Congratulations! You ran a clean first leg - now its time to pass the baton.




The baton is passed from the Assessors to the Collector through the issuance of a "Commitment" and "Warrant to Collect Tax".

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In Order to Run a Good Race, It's Important to Run a Clean 2nd Leg of the Race.

Issuing & Collecting timely Tax Bills :

- Tax Bills can include other municipal charges.
- The Collector is responsible for ensuring that the tax bills are accurate and sending them to the proper assessed owner. G.L. c. 60 § 3.




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In Order to Run a Good Race, It's Important to Run a Clean 2nd Leg of the Race.

Issuing & Collecting Tax Bills timely:

- Municipalities can deny, revoke or suspend permits, approvals or licenses where there are taxes or municipal charges more than one day past due. G.L. c. 40, § 57.
- Municipalities must accept the provisions of Section 57.



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What does a Municipal Lien Certificate do?


- The Collector may issue a "certificate" of all taxes and other assessments, including water rates and charges that constitute liens on the parcel of real estate. G.L. c. 60, § 23.
- If MLC is recorded it will release the "automatic lien" that was created by the commitment for all taxes and municipal charges not shown in it (except Tax Title).



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How can a Collector satisfy a Commitment ?

- The taxpayer is granted an exemption or an abatement;
- The Collector collects the full amount of the commitment;
- The Collector either "takes" or "subsequently certifies" the outstanding tax amount.




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In Order to Run a Good Race, It's Important to Run a Clean 2nd Leg of the Race.

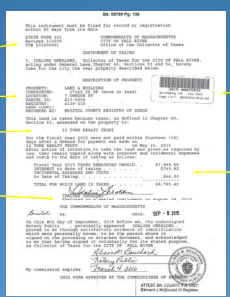
Conducting timely & accurate Tax Takings & Subsequent Certifications

- A Tax Taking is really just the perfection of the lien that was created by the commitment.
- The effect of the Tax Taking is similar to that of a mortgage.



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What is an Instrument of Taking ?



Tax Title Number → [Annotation pointing to 'TAX TITLE NO. 0000000000']


Property Description → [Annotation pointing to 'PROPERTY: LOTS 1 & 2, SECTION 1, TOWN OF BARNSTABLE, MASSACHUSETTS']

Assessed Owner → [Annotation pointing to 'ASSESSOR: BARNSTABLE COUNTY ASSESSOR']

Date of Taking → [Annotation pointing to 'DATE OF TAKING: 09/03/2025']

Recording Information → [Annotation pointing to 'RECORDING INFORMATION: BARNSTABLE COUNTY REGISTER OF DEEDS']

Amount Taken → [Annotation pointing to 'AMOUNT TAKEN: \$1,000.00']



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Third Leg: Collection of the Tax Title Account.

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


- Contacting the Taxpayer and the Mortgage Holder (if any) to collect Tax Title;
- Enforcing G.L. c. 60 § 93 & G.L. c. 40 § 57;
- Negotiating Installment Agreements.



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To Run a Clean Third Leg of the Race, the Treasurer's Office First Verifies the Tax Title Account


- Reconcile the Tax Title Account balance before and after the Taking or SubCert.
- Review the Interest Calculation to insure that the correct Interest Date was entered during the Taking or SubCert Process.



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To Run a Clean Third Leg of the Race, the Treasurer's Office Then Creates a Tax Title File


- Verify Recording or Registration Information & Date & enter in MUNIS;
- Create a label for each new Tax Title File;
- Place copy of Taking, Long Detail Report, Relevant Portion of Assessors Map & Property Card in new Tax Title File.



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Initial Contact with Taxpayer After the Taking


- The Treasurer's Office sends a letter to Taxpayer explaining the effect of the Taking and includes a copy of the Long Detail Report;
- The Treasurer's Office will also cause a Title Rundown to be completed to determine if there are any mortgages on the property.



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Before Releasing Checks for Tax Refunds or Vendor Payments the Treasurer's Office Enforces G.L. c. 60, § 93.


- If Taxes or Municipal Charges are due, the Treasurer's Office offsets the amount of the refund or vendor payment and applies it to the outstanding amount ;
- Must be in the same name.



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Chapter 40, Section 57 Has a Much Broader Reach.


- If Taxes or Municipal Charges are more than 1 day past due, the municipality will deny and may revoke or suspend permits, licenses and approvals;
- "The intent of this broad language is to eliminate the necessity that the delinquent taxpayer be the same legal entity as the person holding the permit or license. *DOR 10/2/1995*



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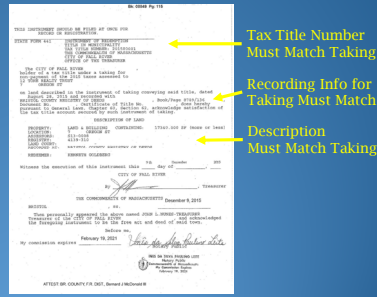
The Treasurer's Office Negotiates Installment Agreements with Taxpayers to Facilitate Collection of Tax Titles.

- Should include all parcels owned by Taxpayer in Tax Title;
- 30% Down Payment with 12 Monthly Installments (with certain exceptions);
- Interest continues to accrue at 16%.



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When the Taxpayer pays the Tax Title Balance the Treasurer records an Instrument of Redemption to release the Tax Title.



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Treasurer's Certificates

- Pursuant to G.L. c. 60, § 60 a person paying someone else's taxes can request a Treasurer's Certificate.
- A Treasurer's Certificate must be recorded within thirty days.
- Creates a lien to secure repayment - not priority like a Tax Title.



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What's a Long Detail Report ?

The screenshot shows a detailed report with the following sections highlighted by arrows:

- Tax Title Number**: Points to the top left header area.
- Taxpayer at Taking**: Points to the 'PROPERTY IDENTIFICATION' section.
- Must Match Takings Register**: Points to the 'TAKING INFORMATION' section.
- Tax Title Total**: Points to the 'TOTAL TAXES' section.
- Summary of Payments Made on Tax Title**: Points to the 'PAYMENTS' section.
- Description**: Points to the 'PROPERTY IDENTIFICATION' section.
- Taking Date & Recording Info**: Points to the 'TAKING INFORMATION' section.
- SubCert Dates**: Points to the 'SUBCERT INFORMATION' section.
- Current Balance**: Points to the 'CURRENT BALANCE' section.

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Congratulations! You ran a clean third leg – now its time to pass the baton.

The baton is passed from the Treasurer to the Tax Title Attorney when a Tax Title is Assigned to be Foreclosed.

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Fourth Leg: Prosecution of Tax Lien Case.

The Tax Title Attorney runs a clean fourth leg of the race by:


- Filing a Petition to Foreclose at the Land Court;
- Zealously Prosecuting the Petition to Foreclose;
- Obtaining Payoffs, Decrees of Foreclosure or Deeds in Lieu of Foreclosure.

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Foreclosing a Tax Lien at the Land Court

This is really when we learn just how clean the 1st three legs of the race were run:

- If there was an error in the Assessment the Land Court will dismiss the case;
- If there was an error on the Tax Bill the Land Court will dismiss the case;
- If the Taxpayer never had the opportunity for an Installment Agreement the case will be delayed.




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Foreclosing a Tax Lien at the Land Court.

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    graph TD
      A[File Petition to Foreclose Right of Redemption  
G.L. c. 60 § 65] --> B[Land Court docket Petition, assigns Docket # & Refers for Title Exam]
      B --> C[Land Court Title Examiner files Title Exam w/in 60 days or re-referred  
G.L. c. 60 § 66]
  
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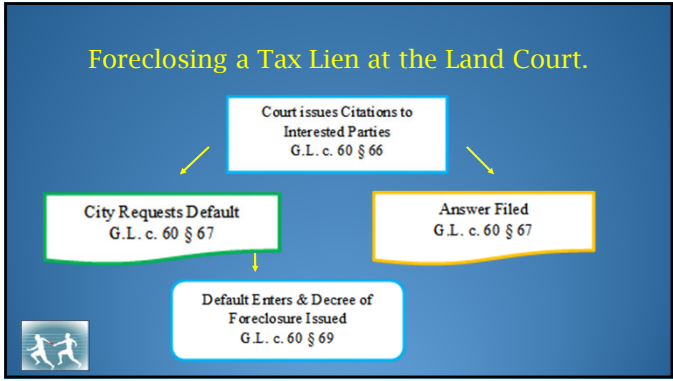
Foreclosing a Tax Lien at the Land Court.

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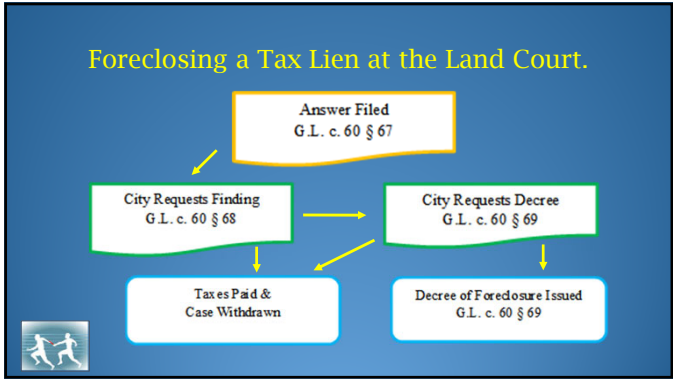
    graph TD
      A{Court Reviews Title Exam} --> B[Request for Further Information]
      B --> C[City's Response]
      C --> D[Court issues Citations to Interested Parties  
G.L. c. 60 § 66]
      D --> A
  
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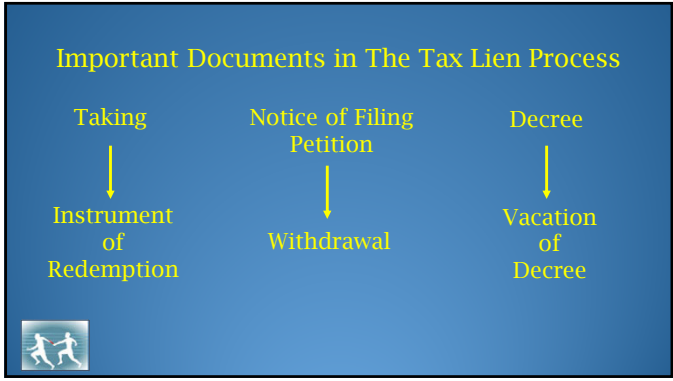
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What's a "Tax Possession" ?


- When the Land Court issues the Decree of Foreclosure the City becomes the owner free and clear of all liens, but the owner may be entitled to the surplus sales proceeds, if sold.
- Custodian of Tax Possessions
- G.L. c. 60, § 77B.
- The value of the Tax Possession is the total of the taxes, interest and charges when the Tax Title was foreclosed.



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Disposition of Tax Possessions – Post Chapter 140 Challenges


- Need for pre-Decree planning on the part of the municipality - 14 days to decide whether to sell or retain.
- Need to have an Independent Appraiser already retained.
- Need to hire a Real Estate Broker to list property for one year.



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Disposition of Tax Possessions – Post Chapter 140 Challenges


- Ability to only sell at Auction for a minimum bid of 2/3 of "Highest & Best Use Value" as determined in the Appraisal.
- Former Owner, or any mortgagee or lienholder can contest the value.
 - Right to file in the Superior Court



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Disposition of Tax Possessions –
Post Chapter 140 Challenges


- Post Retention/Sale Procedures
 - Accounting to former owner and all mortgagees or lienholders.
 - Former Owner, or any mortgagee or lienholder can contest the sales price.
 - Surplus Funds escrow



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Disposition of Tax Possessions –
Post Chapter 140 Challenges


- Post Retention/Sale Procedures
 - If no one claims the surplus, it's turned over the State Treasurer under Chapter 200A.
 - What happens if municipality accepted Chapter 200A, § 9A (Tailings retention)?
 - But there are some things a municipality can do....



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Disposition of Tax Possessions –
Post Chapter 140 Challenges

- Some Suggestions.....
 - Appoint a Custodian of Tax Possessions
 - Use Mutual Releases with every Deed In Lieu of Foreclosure.
 - Contact your State Representative and State Senator now and begin to advocate for changes.



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Questions & Answers

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