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**Massachusetts Department of Revenue  
Division of Local Services**

**LOCAL TAXES**

**Current Assessment and Collection Issues**



**2010**

**Workshop A**

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# **Personal Property Audits, Charitable Exemptions for Creating Affordable Housing, New Billing Procedures, and Penalties for Failure to Respond to § 38D Information Requests.**

## **Case Study No. 1**

Heartbreak Hotel, which had been owned by a Massachusetts corporation listed in the Corporations Book, was sold in 2009 to a national hotel chain. Information on file at the registry of deeds indicated that the hotel property had been conveyed to the "Tourist Trap Co.," which is not listed in the Corporations Book. Heartbreak Hotel had not filed a form of list for many years and had not been assessed personal property tax. After the sale, no form of list was filed for Fiscal Year 2011 on March 1, 2010, and no extension of time to file was requested.

1. Was the Massachusetts Corporation which previously owned the Heartbreak Hotel right not to file a form of list during the years of its ownership?
2. Would it make any difference if their cleaning and kitchen equipment and guest room amenities like TV's, hair dryers, and irons were leased from a leasing company?
3. Can you assess undeclared items of personal property which were properly subject to tax in Fiscal Years 2010 and 2009 retroactively?
4. Is Tourist Trap Co. required to file a form of list for Fiscal Year 2011?
5. On what personal property is Tourist Trap Co. taxable? How would you make the necessary inquiries to find out what personal property of Tourist Trap Co. at Heartbreak Hotel is subject to tax?
6. Tourist Trap Co. renovated Heartbreak Hotel and updated furnishings, equipment, and amenities in 2009, shortly after the acquisition. The renovations and updates had been completed by year's end. What effect would the changes have on Tourist Trap Co.'s personal property tax exposure for Fiscal Year 2011?

7. After wrangling with the Assessors' Office over what items of personal property were subject to local tax, Tourist Trap Co. filed a form of list for Heartbreak Hotel under protest several months after March 1, 2010, without having secured an extension of time from the Assessors to do so. What impact would this late-filed form of list have on Tourist Trap Co.'s abatement rights?

### **Case Study No. 2**

The law firm Dewey, Cheatum, and Howe is an LLC which employs approximately 20 people in leased space in a downtown office building. They have been filing forms of list declaring their taxable personal property to be some several-years-old computers and office furnishings. Items are declared on the form of list at net book value (*i.e.* original cost less accumulated depreciation.) Dewey, Cheatum, and Howe have been assessed personal property tax based on the reported assets at the stated values. Assessor Busybody reviews their state-of-the-art web site and talks to an employee of the building inspector's department who describes the offices as having been extensively upgraded in 2008.

1. What should Assessor Busybody's response be on learning of possible undeclared personal property in the Dewey, Cheatum, and Howe's offices?
2. What information would be helpful in ascertaining the law firm's correct personal property tax liabilities for Fiscal Years 2010 and 2011?
3. Assessor Busybody wants to conduct an inspection of the law firm's offices to ferret out all items of personal property subject to tax? The law firm refuses to give its consent. Can Assessor Busybody enter upon the premises without permission? What if the law firm has appealed a denial of abatement on their revised personal property tax assessment to the Appellate Tax Board?
4. The audit reveals that extensive, undeclared personal property is situated at the law firm's offices, including new

furnishings, original works of art, state-of-the-art computer equipment and systems, a fully equipped kitchen, and a multimedia library. What is the correct assessing procedure given the audit findings?

5. Records reveal that Dewey, Cheatum, and Howe made extensive purchases of software in 2008. Is software subject to personal property tax?
6. Assuming assessments are made based on information uncovered in the course of the personal property tax audit, what are Dewey, Cheatum, and Howe's rights to obtain an abatement of the additional assessments of the undeclared personalty? What difference might it make if they refused to comply with the audit information requests until the assessor obtained a court order, which they vigorously contested?
7. How would values for the undeclared personal property assets uncovered in the course of the audit be set?

### **Case Study No. 3**

The Zoroastrian Fellowship of Massachusetts, an I.R.C. 501(c)(3) recognized entity, owns and operates a house of worship in a neighboring community (exempt from property tax under G.L. c. 59, § 5, Clause Eleventh) and also a nearby religious school. The Fellowship desires to create a residential facility for low and moderate income elderly Zoroastrians. Their main facilities would be unaffected. They purchase a run-down apartment property in your community through a foreclosure sale. Your community has accepted Ch. 258, § 1 of the Acts of 2010. The Fellowship struggles to obtain financing for renovations over a period of several years, while the apartment building sits vacant and unused.

1. Is the Zoroastrian Fellowship taxable on the apartment building during the time period they are trying to obtain financing?
2. Does it matter if the Zoroastrian Fellowship files a Form 3ABC with the assessors in the neighboring community where their house of worship and school are located? Is a Form 1B3 required to be filed with the local assessors' office?

3. The Zoroastrian Fellowship decides to include a number of luxury condos in the planned residential facility, along with apartments for the elderly Zoroastrians. Does that affect taxability?
4. The Zoroastrians change their plans and decide to turn the old apartment property into a satellite campus for their religious school. How does that change in plans affect taxability?

#### **Case Study No. 4**

Anytown, Mass. is interested in a more efficient, cost-effective billing system for property and motor vehicle excise taxes and charges for municipal services. The collector would like to eliminate paper billing and consolidate billing for taxes and other municipal charges.

1. What steps are required in order for the collector to institute a system of e-billing? Can the collector send e-bills to everybody?
2. How might the collector go about setting up a system for consolidated billing of other municipal charges? What charges would be eligible for consolidated billing?
3. The Community Preservation Committee is eager to report on its historical preservation activities and would like to include a 2 page document with the tax bills. Is that permissible? What restrictions apply?
4. Would it make a difference if there were a pending ballot question to revoke the town's acceptance of the Community Preservation Act? What if the report were 5 pages long?

#### **Case Study No. 5**

An office building in your community is owned by an Estonian businessman. The assessors request income and expense information for the office property for the calendar year immediately preceding the assessment date for use in making an assessment. 61 days have

passed since the request was mailed to the owner and no responsive information has been received.

1. What penalties apply for the owner's failure to respond to the information request within 60 days?
2. The owner claims that his property manager in your town neglected to forward the information request to him at his headquarters in Tallinn, and asks that the Appellate Tax Board permit his abatement petition to go forward.
3. The owner admits receiving the information request shortly after it was sent, but says he was unable to respond because computer systems in his country came under sustained cyber attack, possibly orchestrated by the Russian FSB. He submits a statement from the Estonian Ambassador in Washington substantiating the claim of a cyber attack and assigning blame to hackers in the Russian Federation, acting with the blessing of that country's spy agency. He responds within 75 days of the request going out, after computer systems are restored. Can the appeal proceed?
4. The information request made no mention that any fine would be assessed for failure to respond to the information request within 60 days. Can a fine be assessed?

## CASE STUDY 6

At the advice of an estate planner, Robert Green conveyed his house in Boston to his son, but retained a life estate in the premises. The deed was recorded in November 2009.

- A. To whom should the house in Boston be assessed for fiscal year 2011?
- B. Can Robert Green, if otherwise qualified, continue to receive a Clause 17D surviving spouse exemption? Can the son file an application for a veterans exemption?
- C. Robert Green turned 65 years of age in January 2010. Can he also defer taxes for fiscal year 2011? Would your answer be different if Robert Green owned a winter home in Florida?

G.L. Ch. 59 §11

G.L. Ch. 59 §5 Cl. 41A

Breare v. Board of Assessors of Peabody, 350 Mass. 391 (1966)

## CASE STUDY 7

A charitable educational organization has operated a summer camp on the South Shore for many years. During the summer the assessors heard rumors that this 90 acre parcel could be sold. In September 2010 the campground was sold for \$5 million to a developer who plans to build 50 expensive homes on the site.

- A. The parcel was exempted for fiscal year 2011. Could the town recoup taxes from the charitable corporation?
- B. What tax, if any, could the town impose?
- C. In May 2010 the charitable corporation purchased another parcel in town on which it plans to build a school. Could the newly acquired parcel be exempted for fiscal year 2011?

G.L. Ch. 59 §5 Cl. 3

G.L. Ch. 59 §2C

## CASE STUDY 8

A well known real estate developer purchased a seven million dollar yacht which he sailed into Boston Harbor in May 2010.

- A. Could the City of Boston impose a tax on the yacht? What revenue, if any, would the city receive?
- B. Could the City of Boston impose a ship excise? Could a vessel excise be imposed by the Commonwealth?
- C. The developer sold the yacht in September 2010 to a Florida resident who plans to relocate the yacht to Florida. Could the developer receive an abatement from the Boston assessors? Could the assessors tax the Florida purchaser?

G.L. Ch. 60B

G.L. Ch. 59 §8

G.L. Ch. 63 §67

Shinnecock, Inc. v. State Tax Commission, 350 Mass. 648 (1966)

## CASE STUDY 9

John Green was the owner of a two acre vacant parcel at 75 Avalon Street in Falmouth. He sold the lot to Charles and Nancy Smythe of 83 Main Street, Falmouth by a deed recorded on March 13, 2007. The grantees acquired title as tenants by the entirety. Fiscal year 2007 taxes were assessed to Green who paid a portion of the FY 2007 taxes but the May 2007 tax bill remains unpaid. For fiscal years 2008 to 2010, taxes were assessed to Charles Smith and these taxes were never paid. The collector sent the FY 2008 to 2010 tax bills to Charles Smith at the 75 Avalon Street address which remained a vacant lot.

The collector sent a demand to Charles Smith for unpaid fiscal year 2007 to 2010 taxes. The demand was sent to Smith at 75 Avalon Street on May 12, 2010. The collector published notice of intent to take in the local newspaper on August 4, 2010. He posted the notice of intent to take at two public places on August 12, 2010. The notices listed John Green and Charles Smith as owners. By deed recorded on August 9, 2010 Charles and Nancy Smythe, who had filed a subdivision plan, sold one half of the vacant parcel to Harold Thomas. The collector made the tax taking on August 26, 2010 for unpaid fiscal year 2007 to 2010 taxes. The instrument of taking which was recorded on August 27, 2010 lists John Green and Charles Smith for unpaid FY 2007 to 2010 taxes.

- A. Are there any problems with the tax taking?
- B. Can the collector correct any problems?
- C. Harold Thomas wants to build on his land. On September 7, 2010 he requested that the treasurer issue a redemption certificate on his half of the land. What result?

G.L. Ch. 60 §16

G.L. Ch. 60 §21

G.L. Ch. 60 §37

G.L. Ch. 59 §77

G.L. Ch. 59 §78A

G.L. Ch. 60 §76A

G.L. Ch. 60 §84

Bartevian v. Cullen, 369 Mass. 819 (1976)

## CASE STUDY 10

Paul Riley subdivided his land some time ago and later decided to build a house on the smaller parcel containing one quarter of an acre. Riley obtained a building permit which the neighbors contested. The Zoning Board of Appeals in September 1995 upheld the building inspector's issuance of the building permit. The house was built in 1996. Riley took a risk in building the house since the neighbors had appealed to Land Court. The neighbors believed that no house would ever be built on what had always been an illegal lot created by Riley's own subdivision of the land. The neighbors were very concerned about their loss of view due to the construction of the seven room, three bedroom house. Riley continued to defend his actions in court since the total assessed value of his parcel is \$934,600 which consists of a \$362,300 building value and a \$572,300 land value. After fifteen years of litigation, the Land Court ordered Riley to remove the house by May 17, 2010.

- A. If Riley removes the house by demolishing or relocating it, can he get an abatement of his fiscal year 2010 taxes? What would be the effect on his FY 2011 taxes?
  
- B. If Riley relocates the house in May 2010 to a vacant lot in town, could there be an increase in real estate taxes on that lot for fiscal years 2010 and 2011? Would your answer be different, if he relocated the house to the next town?

G.L. Ch. 59 §2D

G.L. Ch. 59 §2A

## CASE STUDY 11

A developer is interested in acquiring a large parcel which is near a major highway and would be an ideal location for a bio-technology park. Crucial to any development is the purchase of a long, narrow, undevelopable 12,000 square foot lot which would allow access from the large parcel to a main road. Ownership of the small lot is uncertain. For years it has been assessed to a corporation which went out of business in the 1940's. In recent years the parcel has been assessed at minimal value. Records at the Registry of Deeds disclose that the tax collector made a tax taking on the small lot.

- A. The developer contacted town officials in hopes of purchasing the small parcel. The treasurer's records confirmed that the small lot was in tax title. Questions were raised about the assessments since the corporation had been dissolved. Was the small lot properly assessed over the years?
- B. The treasurer seeks to improve revenue for the town. What should the treasurer do with regard to the small lot?
- D. Assume the developer acquired both parcels. He now wants assurances about future taxes since his investors are hesitant to support his planned development in light of the present economy. Local officials are also concerned about the increased traffic which would be generated at this site. What would you recommend to town officials?

G.L. Ch. 59 §11  
G.L. Ch. 60 §79  
G.L. Ch. 60 §77B  
G.L. Ch. 40 §3  
G.L. Ch. 30B  
G.L. Ch. 59 §5 C1.51  
G.L. Ch. 23A §3E  
G.L. Ch. 121A

## CASE STUDY 12

A taxpayer filed an abatement application for fiscal year 2009 on his single family house. The assessors denied the application and the taxpayer appealed to the Appellate Tax Board. For fiscal year 2010 the same valuation appeared on the tax bill as on the fiscal year 2009 tax bill. The taxpayer did not file an abatement application for fiscal year 2010.

- A. The assessors and the taxpayer have agreed to settle the fiscal year 2009 tax dispute. Can the adjusted value for fiscal year 2009 be carried over to fiscal year 2010?
- B. The taxpayer's attorney claims his client's house was overvalued for at least 15 years. The attorney has requested refunds or, alternatively, that the town credit alleged overpayments against future tax obligations. What result?
- C. The taxpayer stated that someone at the assessing office told him not to file the fiscal year 2010 abatement application since "It will be taken care of." Does the taxpayer now have a valid claim for abatement?

Keegan v. Assessors of Boston, 334 Mass. 169 (1956)

O'Blenes v. Zoning Board of Appeals of Lynn, 397 Mass. 555 (1986)

### CASE STUDY 13

The collector who is a town collector recently took office in April 2010 and the following situations arose.

- A. The town collector sent water bills on June 16, 2010 with a due date of July 16, 2010. Some of the water bills were never paid. Can the collector lien these unpaid bills to the fiscal year 2011 tax bills?
- B. A group of citizens is interested in learning what taxes are owed by a certain school official. Can the collector furnish this information?
- C. A taxpayer filed for bankruptcy under Chapter 13 in September 2010. Notice of the petition in bankruptcy was sent to the collector. The taxpayer's fiscal year 2010 real estate taxes were never paid and the collector has not yet made a tax taking. What effect does the filing of the bankruptcy petition have on the collection of these real estate taxes? Can the collector send a demand? Can the collector make a tax taking?

G.L. Ch. 40 §42B

G.L. Ch. 60 §23

11 USC 362

G.L. Ch. 60 §37

## CASE STUDY 14

- A. The board of assessors maintains an e-mail account in the office at town hall. At 5:30 PM on the last day for submitting timely abatement applications the taxpayer e-mailed an application to the assessors' e-mail address. Did the taxpayer make a proper and timely filing?
- B. John Green who operates Green's Towing Services, Inc. brings to the assessors' office a list of registration numbers of vehicles impounded at his business parking lot. Green requests that the assessors provide the names and addresses of the registrants of these vehicles. Should the assessors comply with Green's request?
- C. A fraternal organization owns a building that is used for various purposes. A portion of the building is rented to a commercial tenant. Another portion is used for meetings. The main hall is used by members and their families, and it is also rented for functions. Is this parcel exempt?

G.L. Ch. 59 §59

18 USC 2721

Assessors of Worcester v. Knights of Columbus Religious, Charitable & Benevolent Association of Worcester, 329 Mass. 532 (1953)

## CASE STUDY 15

- A. Local officials were alarmed to learn that a private school recently purchased a large apartment building with plans to convert it to a dormitory. The collector informed the selectmen of the anticipated loss of tax revenue if the parcel were to be exempted. What recourse does the town have?
- B. A gasoline station closed a few years ago. The site is contaminated and the cost of cleanup far exceeds the parcel's assessed value. The fiscal 2007 to 2010 taxes remain unpaid. What are the collector's collection remedies? Should the collector make a tax taking?
- C. Certain taxpayers were granted overvaluation abatements for fiscal year 2010. Where taxes for the fiscal year were paid in full, the collector sent refunds without interest to the taxpayers. The collector defended his actions by stating that there was no appropriation for such payment. Are the taxpayers entitled to interest on the refunds?

G.L. Ch. 59 §5 Cl. 3

G.L. Ch. 21E

G.L. Ch. 59 §69

*(Text Newly Inserted into the General Laws Highlighted.)*

## Personal Property Audits

§§ 44-46 & 49-53 of Chapter 188 of the Acts of 2010

### Chapter 59: Section 29. Notice of assessments; lists

Section 29. Assessors before making an assessment shall give seasonable notice thereof to all persons subject to taxation in their respective towns. Such notice shall be posted in one or more public places in each town, or shall be given in some other sufficient manner, and shall require the said persons to bring into the assessors, before a date therein specified, in case of residents a true list, containing the items required by the commissioner in the form prescribed by him under section five of chapter fifty-eight of all their personal estate not exempt from taxation, except intangible property the income of which is included in a return filed the same year in accordance with sections twenty-two to twenty-five, inclusive, of chapter sixty-two, and in case of non-residents and foreign corporations such a true list of all their personal estate in that town not exempt from taxation, and may or may not require such list to include their real estate subject to taxation in that town. It shall also require all persons, except corporations making returns to the commissioner of insurance as required by section thirty-eight of chapter one hundred and seventy-six, to bring in to the assessors before a date therein specified, which shall not be later than March first following, unless the assessors for cause shown extend the time to a reasonable later time but in no event later than **the last day for filing an application for abatement of the tax** for the fiscal year to which the filing relates, true lists, similarly itemized, of all real and personal estate held by them respectively for literary, educational, temperance, benevolent, charitable or scientific purposes on January first preceding, or at the election of any such corporation on the last day of its fiscal year preceding said January first, together with such information as may be required to comply with regulations promulgated by the commission pursuant to section three of chapter fifty-eight and the amount of

Deleted: thirty days after the mailing of the tax bills

receipts and expenditures for said purposes during the year together with copies of federal tax returns containing unrelated business income taxable under section five hundred and eleven of the Internal Revenue Code. The assessors may require from any person claiming under the Seventeenth, Eighteenth or Twenty-second clause of section five an exemption from taxation, a full list of all such person's taxable property, both real and personal.

#### **Chapter 59: Section 31A. Personal Property Audits by Assessors**

**Section 31A.** For the purpose of verifying that a person required to file a true list of taxable personal property under section 29 has made a complete and accurate accounting of that property, the assessors may at any time within 3 years after the date the list was due, or within 3 years after the date the list was filed, whichever is later, examine the books, papers, records and other data of the person required to file the list. The assessors may compel production of books, papers, records and other data of the person through issuance of a summons served in the same manner as summonses for witnesses in criminal cases issued on behalf of the commonwealth, and all provisions of law relative to summonses in such cases shall, so far as applicable, apply to summonses issued under this section. A justice of the supreme judicial court or of the superior court may, upon the application of the assessors, compel the production of books, papers, records and other data in the same manner and to the same extent as before those courts.

#### **Chapter 59: Section 32. Inspection of lists**

**Section 32.** Lists filed under section 29 and books, papers, records and other data obtained under section 31A shall be open to the inspection of the assessors, the commissioner, the deputies, clerks and assistants of either the assessors or the commissioner and any designated private auditor of the commissioner or the assessors as may have occasion to inspect the lists, books, papers, records and other data in the performance of their official, contractual or designated duties, but so much of the lists, books, papers, records

and other data as shows the details of the personal estate shall not be open to any other person except by order of a court. For purposes of this section, a “designated private auditor” shall be an individual, corporation or other legal entity selected by the commissioner or a city or town to value personal property or perform an audit which includes the assessing department of a city or town under any legal authority, including the examination of records under said section 31A, an audit under sections 40 or 42A of chapter 44 or an investigation under section 46A of said chapter 44 but only if the individual, corporation or other legal entity shall be compensated for the audit work pursuant to an arrangement under which neither the payment nor the amount of their fees and expenses for the work are contingent on either the results of the audit or whether the results withstand any appeal by a taxpayer. The lists shall be preserved by the assessors until the commissioner orders them destroyed.

**Deleted:** Such lists shall be open to the inspection of the assessors, their assistants and clerks and of the commissioner and his deputies, the director of the division of local taxation and the supervisors of assessors; but so much of the lists as shows the details of the personal estate to that of no other person except by order of a court.

#### **Chapter 59: Section 38F. Written return of information to determine valuation of personal property**

Section 38F. A board of assessors may request the owner or lessee of any personal property to make a written return under oath within sixty days containing such information as may reasonably be required by it to determine the actual fair cash valuation of such property.

Failure of an owner or lessee of personal property to comply with such request within sixty days after it has been made shall bar him from any statutory appeal under this chapter, unless such owner or lessee was unable to comply with such request for reasons beyond his control. If any owner or lessee of personal property in a return made under this section makes any statement which he knows to be false in a material particular, such false statement shall bar him from any statutory appeal under this chapter.

**Chapter 59: Section 38G. Testimony under oath concerning written return filed under Sec. 38F**

Section 38G. A board of assessors may require testimony under oath of a taxpayer relative to his written return filed under section thirty-eight F and may also require testimony under oath of any applicant for abatement under section fifty-nine.

**Chapter 59: Section 42A. Audits of Centrally Valued Property Returns**

**Section 42A.** For the purpose of verifying that an owner of a pipeline or a telephone or telegraph company required to make a return under section 38A or section 41 has made a complete and accurate accounting of the property required to be returned, the commissioner shall have all the powers and remedies provided by said section 31A to assessors of cities and towns. If the commissioner reasonably believes, as a result of an examination of the books, papers, records and other data or otherwise, that taxable personal property for a fiscal year was not valued or was incorrectly valued, the commissioner may, not later than 3 years and 6 months after the date the return was due or 3 years and 6 months after the date the return was filed, whichever is later, certify an amended valuation to the owner of the pipeline or telephone or telegraph company and to the boards of assessors of the cities and towns wherein the property was subject to taxation for that year. Not later than 2 months after the date of the amended certification, the assessors shall assess and commit to the collector with their warrant for collection an additional tax to the owner of the pipeline or telephone or telegraph company. An owner or company aggrieved by the assessment of the additional tax may, within 1 month after the bill or notice of the additional assessment is first sent, appeal the valuation to the appellate tax board. The appeal shall name as appellees the commissioner and the board of assessors. Except as otherwise provided in this section, the hearing and appeal before the appellate tax board shall proceed in the same manner as an appeal of the valuations originally certified by the commissioner.

## Chapter 59: Section 61. Conditions of abatement

Section 61. A person shall not have an abatement of a tax imposed upon his personal property subject to taxation, except as otherwise provided, unless he has brought in to the assessors a list of his personal estate as required by section **29 and complied with any requests by the assessors to examine books, papers, records and other data under section 31A**. If such a list of his personal estate is not filed within the time specified in the notice required by said section **29 or the person has not complied with any requests by the assessors to examine books, papers, records and other data under said section 31A**, no part of the tax assessed on the personal estate shall be abated unless the applicant shows to the assessors a reasonable excuse for the delay, or unless such tax exceeds by fifty per cent the amount which would have been assessed on such estate, if the list had been seasonably brought in, and in such case only the excess over such fifty per cent shall be abated. A person applying for an abatement of a tax on real estate may have an abatement although no list of the owner's estate was brought in as required by the said notice; provided, that in any application for an abatement of such a tax the applicant shall include a sufficient description in writing of the particular real estate as to which an abatement is requested.

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## Chapter 59: Section 75. Omitted property; assessments

Section 75. **If a parcel of real property or the personal property of a person has been unintentionally omitted from the annual assessment of taxes due to a clerical or data processing error or some other good faith reason or, if the personal property of a person was omitted from the annual assessment of taxes but discovered upon an examination of the books, papers, records and other data under section 31A, the assessors shall, in accordance with any rules, regulations and guidelines as the commissioner may prescribe, assess such person for such property. Except for personal property found after an examination under said section 31A which shall be made not later than 3 years and 6 months**

after the date the true list in which such property should have been returned was due or not later than 3 years and 6 months after the date the return was filed, whichever is later, no such assessment shall be made later than June 20 of the taxable year or 90 days after the date on which the tax bills were mailed, whichever is later. The assessors shall annually, not later than June 30 of the taxable year or 100 days after the date on which the tax bills were mailed if mailed after March 22, return to the commissioner a statement showing the amounts of additional taxes so assessed. The taxes so assessed shall be entered on the tax list of the collector, who shall collect and pay over the same. The assessors shall also deliver to the collector their warrants for the collection of all taxes so entered on the tax list. Such additional assessment shall not render the tax of the town invalid although its amount, in consequence thereof, shall exceed the amount authorized by law to be raised.

**Deleted:** If any parcel of real property or the personal property of a person has been unintentionally omitted from the annual assessment of taxes due to clerical or data processing error or other good faith reason, the assessors shall in accordance with such rules, regulations and guidelines as the commissioner may prescribe, assess such person for such property; provided, however, that in no event shall such assessment be made later than June twentieth of the taxable year or ninety days after the date on which the tax bills are mailed, whichever is later, and that the assessors shall annually, not later than June thirtieth of the taxable year or the hundredth day after the date on which the tax bills are mailed, if mailed after March twenty-second, return to the commissioner a statement showing the amounts of additional taxes so assessed.

#### Chapter 59: Section 76. Revision of valuation or classification

Section 76. If any property subject to taxation has been unintentionally valued or classified in an incorrect manner due to clerical or data processing error or other good faith reason or due to discovery upon an examination of the books, papers, records and other data under section 31A that the property was not accurately or properly reported, the assessors shall revise its valuation or classification and shall assess any additional taxes resulting from such revision in the manner and within the time provided by section seventy-five and subject to its provisions.

# Charitable Exemption For Affordable Housing Development

§1 of Ch. 258 of the Acts of 2010

**SECTION 1.** The second paragraph of subsection (e) of Clause Third of section 5 of chapter 59 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by adding the following sentence:-

In any city or town that accepts this paragraph, any real estate owned by, or held in trust for, a charitable organization for the purpose of creating community housing, as defined in section 2 of chapter 44B, that was purchased from an entity that acquired the property pursuant to section 14 of chapter 244 shall be exempt until such real estate is leased, rented or otherwise disposed of, but not for more than 7 years after such purchase.

*(Definitions Incorporated from the Community Preservation Act)*

G.L. c. 44B, § 2:

- **“Community housing”**, low and moderate income housing for individuals and families, including low or moderate income senior housing.
- **“Low income housing”**, housing for those persons and families whose annual income is less than 80 per cent of the areawide median income. The areawide median income shall be the areawide median income as determined by the United States Department of Housing and Urban Development.
- **“Moderate income housing”**, housing for those persons and families whose annual income is less than 100 per cent of the areawide median income. The areawide median income shall be the areawide median income as determined by the United States Department of Housing and Urban Development.

## Billing Changes

### §§54 & 55 of Ch. 188 of the Acts of 2010

Chapter 60: Section 3A. (a) Each bill or notice shall be in a form approved by the commissioner and shall summarize the deadlines under section 59 of chapter 59 for applying for abatements and exemptions. Each bill or notice shall also have printed on it the last date for the assessed owner to apply for abatement and for exemptions under clauses other than those specifically listed in said section 59 of said chapter 59. Except in the case of a bill or notice for reassessed taxes under section 77 of said chapter 59, each bill shall also have printed on it the last date on which payment can be made without interest being due. If a bill or notice contains an erroneous payment or abatement application date that is later than the date established under said chapter 59, the date printed on the bill or notice shall be the deadline for payment or for applying for abatement or exemption, but if the error in the date is the wrong year, the due date shall be the day and month as printed on the bill but for the current year. The commissioner may require, with respect to a city or town, that the tax bill or notice include such information as the commissioner may determine to be necessary to notify taxpayers of changes in the assessed valuation of the property. Each bill or notice for real or personal property tax shall have printed thereon in a conspicuous place the tax rate for each class within the town, as determined by the assessors. In addition, each bill or notice for a tax upon real property shall identify each parcel separately assessed by street and number or, if no street number has been assigned, by lot number, name of property or otherwise, shall describe the land, buildings and other things erected on or affixed to the property and shall state for each such parcel the assessed full and fair cash valuation, the classification, the residential or commercial exemption, if applicable, the total taxable valuation and the tax due and payable on such property. If the assessors have granted the owner an exemption under any clause specifically listed in said section 59 of said chapter 59, the bill or notice of such owner may also show the exemption and the tax, as exempted, that is due and payable on such property.

(b) The collector may issue the bill or notice required by section 3 in electronic form, provided that the electronic bill or notice meets the standards set forth in subsection (a). An electronic bill or notice issued shall be under voluntary programs established by the collector, with the approval of the board of selectmen or mayor, as the case may be. No political subdivision shall require a taxpayer to take part in an electronic billing system or program.

(c) The collector may include in the envelope or electronic message in which a property tax bill is sent those bills or notices for rates, fees and charges assessed by the city or town for water or sewer use, solid waste disposal or collection or electric, gas or other utility services as may be authorized by ordinance or by-law; provided, however, that the bills or notices shall be separate and distinct from the property tax bills. The ordinance or by-law may authorize the collector, upon vote of any municipal water and sewer commission established by the city or town under chapter 40N or by special act, to include bills or notices for rates, fees or charges assessed by the commission for water or sewer use.

(d) The collector may, with the approval of the board of selectmen or mayor, as the case may be, include in the envelope or electronic message in which a property tax bill is sent nonpolitical municipal informational material; provided, however, that if such nonpolitical municipal informational material is mailed, it shall not be included if the material causes an increase in the postage required to mail the tax bill.

## **Chapter 60A: Section 2. Collection of tax; abatement**

Section 2. Except as otherwise provided in section one, if the owner of the motor vehicle or trailer registered is an individual inhabitant of the commonwealth, or a partnership, voluntary association or corporation having a principal place of business in the commonwealth or if the owner of the motor vehicle or trailer registered is not such an individual, partnership, voluntary association or corporation but the vehicle or trailer is customarily kept in any particular municipality in the commonwealth, the board of assessors shall assess the excise imposed by section one, and commit the same to the collector of taxes with their warrant

for the collection thereof. Otherwise the excise so imposed shall be assessed and collected by the commissioner. The excise shall be assessed to the owner of the motor vehicle or trailer registering the same, and the registrar of motor vehicles shall promptly transmit to the commissioner a notice of the registration of a motor vehicle or trailer subject to this excise, giving the name and residential address of the owner, if an individual, or the name and principal place of business in this commonwealth, if any, otherwise that outside the commonwealth, if a corporation, partnership or voluntary association, the municipality in which the motor vehicle or trailer is customarily to be kept if it is to be kept in the commonwealth, the name of the maker, the year of manufacture as designated by the manufacturer, the model and type of vehicle or trailer, the type of transmission and the operator's license number of the owner of the vehicle, if any. The commissioner may require from the owner such further information as may be necessary for the purposes of this chapter. If an application for the registration of a motor vehicle or trailer contains a statement that the motor vehicle or trailer is customarily to be kept in any particular district, section or part of a city or town, the commissioner shall determine in what city or town said district, section or part is located, and shall transmit the information to the assessors. The commissioner shall, within eight months of the receipt of such information, transmit to the boards of assessors the information received relative to registration with respect to motor vehicles and trailers locally assessable sent to him by the registrar of motor vehicles, and, under such provisions as he deems best, make available to the local assessors information showing the values as determined under section one. All tax notices sent to owners of vehicles notifying said owners of the amount of excise tax due and the due date shall indicate the owner's license to operate number as appearing on the registration application, renewal application or amended registration as provided in section two of chapter ninety. The excise hereunder shall be due and payable at the expiration of thirty days from the date upon which the notice was issued by the collector or the commissioner pursuant to this section **and the due date shall be clearly indicated on the tax notice.** The collector of taxes or the commissioner, as the case may be, shall seasonably notify the owner of the excise assessed and the due date, but

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failure to receive notice shall not affect the validity of the excise. The owner, if aggrieved by the excise assessed, may at any time within 3 years after the date the excise was due or 1 year after the date the excise was paid, whichever is later, apply for an abatement to the board of assessors, and from a decision of the board of assessors upon such application, an appeal may be taken to the county commissioners or to the appellate tax board, all in accordance with section 64 or 65 of chapter 59. If an abatement of an excise assessed by a board of assessors is ordered by a decision of the county commissioners or the appellate tax board, any overpayment with interest thereon at the rate of six per cent per annum from the date of payment shall be refunded by the city or town treasurer from any available funds, upon certificate by the collector of taxes and approval for payment as required by section fifty-two of chapter forty-one, without any appropriations therefor by the municipality. Owners who neglect to pay the excise assessed under this chapter shall pay interest at the rate of twelve per cent per annum from the time when such excise was payable until paid. The notice issued pursuant to this section shall bear on its face a statement of the time within which petitions for abatement of the excise may be filed.

The provisions of chapter sixty-two C shall apply to the excises assessed by the Commissioner.