Massachusetts Department of Revenue Division of Local Services
Navjeet K. Bal, Commissioner Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

February 26, 2009

Ms. Nancy Basso
Assistant Tax Collector
4 Summer St.
Haverhill, MA 01830

Re: Step-up/Step-down Demand Fees
Our File No. 2009-68

Dear Ms. Basso:

You asked about amending the city ordinance to alter the charge imposed on taxpayers when a local tax collector issues a demand for payment of delinquent taxes. You indicated that, pursuant to recent change in the law[1], the city of Haverhill passed an ordinance on September 23, 2008 increasing its demand fee from $5.00 to $30.00. We understand that the mayor would like to further amend this and set the new fee at $10.00 for all bills of $100.00 or less and $30.00 for all bills over $100.00.

In our view, this charge is a fixed amount. G.L. c. 60, §15, *para.* 2 reads:

"For each written demand provided for by law, not more than $30;"

The 2008 amendment merely allows each community to determine the fixed amount within the $30.00 cap. Based on our understanding of the reasoning behind the amendment, we believe that the intent was simply to raise the amount of the demand fee and not to set different fees for different types or amounts of overdue taxes and excises. Therefore, the amount fixed locally should apply to "each" demand issued for any overdue local tax or excise - just as the prior $5.00 fee applied to each such demand.

We hope that this information is helpful. If you have any further questions, please do not hesitate to contact us.

Very truly yours,

Kathleen Colleary, Chief
Bureau of Municipal Finance Law

KC/mcm

[1] St. 2008, c. 182, §15 amended G.L. c. 60, §15 and took effect July 1, 2008.

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