



**DLS**  
DIVISION OF LOCAL SERVICES  
MA DEPARTMENT OF REVENUE



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*City & Town* is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

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## Looking Ahead

From our recent announcements regarding our [databank reporting tools](#) to our booth at Massachusetts Municipal Association's (MMA) Annual Meeting and Trade Show, DLS continues to demonstrate our commitment to engaging with our partners in municipal government.

Our staff remains dedicated to highlighting our enhanced communication tools, our simplified data analysis, and our improved primary information sharing system with municipalities (Gateway) whether at MMA or at seminars across the state. Judging by the reactions and responses we received from the countless visitors to our booth, I think we're on the right track. From assessors to managers, from mayors to audit firms, the constant refrain we heard was that this data is integral and important to a wide variety of people and that presenting it in these new formats is universally appreciated.

In the coming months, we plan to build on the great work our staff has done, transition from the strenuous demands of the tax rate season, and focus on using these new analytical tools to identify trends, recognize municipal finance issues before they become critical, and provide useful analysis to you, the readers of *City & Town*.

A year ago, at the MMA Conference it was first announced that I would be joining DLS. A year later, I'm so proud to see what we've been able to accomplish in such a relatively short time. I know we can continue to build on this momentum and I'm excited to do so.

A quick update on the Governor's [municipal modernization bill](#). There have been three hearings so far (Public Service, State Administration, and Transportation). Next Tuesday, we have two more with

appearances before the Joint Committee on Revenue and the Joint Committee on Municipalities and Regional Government. At these hearings, we'll discuss the need to update municipal finance statutes and to provide mayors, selectmen, managers, and all local officials the tools necessary for them to lead their respective communities with greater efficiency and effectiveness.

As always, I'd like to hear from our colleagues in local government as we go forward. We are here to assist municipalities in practicing strong municipal financial management. If we're delivering as promised, let me know. If we are not, I also want to know. If you have an idea we may not have thought of, please pass them along by emailing me at [croninse@dor.state.ma.us](mailto:croninse@dor.state.ma.us). Thank you.

Sean R. Cronin  
Senior Deputy Commissioner of Local Services

## Ask DLS

This month's *Ask DLS* features frequently asked questions regarding collection of delinquent real estate taxes. Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We would like to hear from you.

### **If a real estate tax remains unpaid, what is the first step for the collector to enforce collection?**

The collector should send a demand to the assessed owner after the due date for payment of the last installment of the tax, i.e., May 2 or one day after the final due date, if later than May 1. The demand is sent to the assessed owner's last or usual place of business or abode, or alternatively, to the address best known to the collector. [MGL c. 60, sec. 16](#). The demand is a prerequisite to a valid tax taking.

### **What happens if a real estate tax is not paid after the demand is sent?**

The collector should perfect the municipality's lien on the real estate by a tax taking.

The collector must wait at least 14 days after the demand is mailed. [MGL c. 60, sec. 17](#). If the taxes still are unpaid, the collector must give notice of intent to take by (1) publishing notice in a newspaper published in the city or town, or, if there is no paper published in the city or town, in a newspaper published in the county, and (2) posting notice in two or more public places. The publication and postings need not be made on the same date, but all must occur at least 14 days after the demand is mailed. The notice must contain a description of the property

to be taken, the amount of taxes and other charges for which the property will be taken, the names of all owners known to the collector, and the time and place of the taking. [MGL c. 60, secs. 1, 40 and 53.](#)

The collector must then wait at least 14 days after the latter of the publication or posting of the notice of intent to take. The collector then makes the taking at the time and place in the notice and records or registers an instrument of taking at the Registry of Deeds within 60 days of the date of taking. The instrument of taking must include a description of the property, the name of the assessed owner or owners, and the taxes and charges for which the property was taken. [MGL c. 60, secs. 53 and 54.](#)

**Example**  
**Tax Taking Timetable**

Last tax installment due	May 1	Earliest May 1
Demand Mailed	May 10	Earliest May 2 (at least 1 day after May 1 due date)
Notice of Intent to Take Posted	May 28	Earliest May 25 (at least 14 days after May 10 demand)
Notice of Intent to Take Published	May 30	Earliest May 25 (at least 14 days after May 10 demand)
Taking Made	June 20	Earliest June 14 (at least 14 days after May 30, later of publication and posting)
Instrument of Taking Recorded	June 20	Latest August 19 (within 60 days after June 20 taking)

**What happens after the collector makes and records the tax taking?**

By perfecting the real estate tax lien, the collector has created a tax title, which becomes the responsibility of the city or town treasurer. If the treasurer receives full payment of the total amount in tax title as of the payment date, then the treasurer issues a redemption certificate. If full payment is not received, the treasurer can institute a proceeding to foreclose the taxpayer's right to redeem by filing a petition in Land Court. [MGL c. 60, sec. 65.](#)

**If subsequent years' taxes are unpaid on a parcel in tax title, what happens to these taxes?**

There can only be one tax title on a parcel. Therefore, if the taxpayer does not pay the taxes assessed for a subsequent fiscal year, the collector certifies those unpaid taxes to the tax title account. [MGL c. 60, sec. 61.](#) The taxpayer has the right to pay the current year's tax without incurring interest. Therefore, the certification cannot be made until after the due date for the last installment payment for the fiscal year.

**Should preliminary taxes be certified to a tax title account?**

No. The statute, [MGL c. 60, sec. 61,](#) speaks of "taxes assessed subsequently." That means the taxes established by an actual

assessment and commitment, and not a preliminary or estimated tax. It is the actual commitment that fixes the tax liability of each taxpayer for the year. The commitment of the actual tax supersedes the preliminary or estimated tax commitment, and the actual tax could be lower or higher than the preliminary or estimated tax.

**Can the collector make a tax taking if the taxpayer has filed an abatement application with the assessors or appealed an adverse decision of the assessors to the Appellate Tax Board?**

The filing of the abatement application with the assessors, or a further appeal to the Appellate Tax Board, does not stay proceedings for the collection of the tax. The collector should make the tax taking to perfect the municipality's lien. However, the treasurer should not petition the Land Court for foreclosure until the abatement issue has been ultimately resolved and the tax for the year determined, as it impacts the amount the taxpayer must pay to redeem.

## **A Brief Look Back: Motor Vehicle Excise**

**Tony Rassias - Bureau of Accounts Deputy Director**

"A Brief Look Back" reviews issues that affected municipal finance in the early twentieth century as written in the Annual Reports of what is now known as the Massachusetts Department of Revenue. This month, *City and Town* features "Excise Tax on Registered Motor Vehicles in Lieu of Local Tax."

### **Introduction**

Up until 1929, motor vehicles were taxed as personal property by each municipality and at the tax rate for that municipality. But collection of the tax was awkward because there was no uniformity in value, rate or administration. Issuing a tax bill was dependent upon the owner filing notice with the assessors of his taxable property on the appropriate date or else face "[the doom of the assessor.](#)" Despite the potential doom, form filing didn't happen often, which was a general problem for personal property.

In 1929, the excise brought in about \$10,000,000 or 50% more tax revenue from motor vehicles than in 1928. In 1929, the average motor vehicle value was \$389.75; the average tax was \$10.36 and the tax rate was \$29.65/000.

On January 31st, 1929, Commissioner of Corporations and Taxation Henry F. Long gave his Annual Report for 1928 to the Honorable Massachusetts Senate and House of Representatives. In his report, he explained the new motor vehicle excise law which could pave the way

for other states to follow Massachusetts' example "to handle a tax matter almost certain to be unequal and unfair under the general property tax law."

The following are excerpts from his report.

### **By the Commissioner**

*Massachusetts, so many times in the forefront in the enactment of beneficial laws and policies on matters affecting the people and their government, has this year by the passage of the law providing an excise tax on registered motor vehicles in lieu of a local tax (Chapter 379 - 1928) shown the way for all states to solve a most vexatious tax problem occasioned by the attempt to lay a tax against motor vehicles under the general property tax law.*

*The experience of every taxing jurisdiction has been that the assessment and collection of local taxes on motor vehicles is most unsatisfactory and vexatious in administration. This for many reasons.*

*The ownership of motor vehicles on the taxing day is spread among a larger class of taxpayers than is the rule on any other kind of property. The temptation to evade the tax is ever present and where excessive valuation is indulged in or where the tax rate is constantly increasing it becomes most pronounced. The taxpayer having all too frequently reason to know that the value of his motor vehicle is nowhere near the cost of it to him, and the taxing officials all too frequently feeling that they are faced with the necessity of obtaining substantial revenue from the motor vehicle, reach a situation where unpleasant and worse situations develop in the laying and collecting of the tax. The Massachusetts local tax law provides, as has been the case for a long period of years, for the filing by each taxpayer with the local assessors of a list of all his personal property. This on the theory that assessors merely act for the municipality as a whole and each person in the municipality for the benefit of all makes complete disclosure of all taxable property held by him on the taxing day. This practice not being observed the assessors are compelled to follow the law and estimate the value of the taxpayer's tangible personal property.*

*In an effort to approach fairness the local assessors have almost uniformly used the same values in each city and town made possible by having available a book showing current values on all makes of motor vehicles. Despite every effort to overcome the unfair situation it was agreed on all hands that the existing law was not fair to the municipality or to the taxpayer. The effort to obtain a better tax law for the motor vehicle has been going on for some few years.*

*If the success of the excise on motor vehicles approaches what is hoped of it many other States of the Union are certain to follow this Massachusetts example of a fair and just way to handle a tax matter almost certain to be unequal and unfair under the general property tax*

*law.*

If you are interested in reading the Commissioner's entire piece, [click here](#).

## **Employment Opportunity with the DLS Technical Assistance Team**

### **Technical Assistance Bureau**

The [DLS Technical Assistance Bureau](#) is looking to hire some energetic, innovative professionals to help cities and towns implement best practices as part of a high-profile, grant-funded initiative by the Baker-Polito Administration. As a project manager, you will work collaboratively with Division team members to interview local officials, analyze complex financial and operational conditions, and deliver guidance on forecasting, capital planning, budgeting, and financial policies. This is great opportunity to work with a wide variety of cities and towns while traveling throughout the state to fulfill this critical role. Successful candidates can choose to be based in our Boston, Worcester or Springfield office.

Interested? Click on the link below to learn more.

<https://massanf.taleo.net/careersection/ex/jobdetail.ftl?job=160000JO>

## **Save the Date - Assessment Administration: Law, Procedures, and Valuation (Course 101)**

The Division of Local Services will offer the basic assessor training course "Assessment Administration: Law, Procedures and Valuation", also known as Course 101, in Barnstable this spring. The course will be held from 9am to 4:30pm on three Wednesdays starting April 6th and ending April 27th. Please note that there will be no class on April 20th due to school vacation week. If you have any questions regarding this training opportunity, please contact Donna Quinn at (617) 626-3838 or at [quinnd@dor.state.ma.us](mailto:quinnd@dor.state.ma.us).

# New IGRs

The Division of Local Services has posted on its [website](#) the following Informational Guideline Releases (IGRs) explaining several local acceptance special funds.

[IGR 16-101](#) - Tax Title Collection Revolving Funds

[IGR 16-102](#) - Cable Television Public, Educational and Governmental Access Special Revenue Funds

[IGR 16-103](#) - Municipal Water Infrastructure Investment Fund

For additional IGRs, please click [here](#).

## OSD Announcements

### Operational Services Division

New Statewide Contract for Athletic Supplies and Physical Education Equipment

In response to requests from municipal purchasing entities, the Operational Services Division (OSD) has launched new [Statewide Contract FAC95](#) encompassing physical education and athletic supplies, equipment, sports uniforms, and related physical education items. This new contract has been awarded to BSN Sports/U.S. Games with BSN Sports, LLC acting as the primary vendor.

#### Contract Highlights

- Features the nation's largest manufacturer, marketer, and distributor of sporting goods products offering average savings of 30% off MSRP;
- Top brands for athletic and physical equipment;
- U.S. manufacturer of many products such as bleachers, backstops, and soccer goals;
- Custom weight room and fitness equipment;
- Physical education products designed for primary and physical education programs;
- Products focused on early childhood development, physical activity, and health;
- 1% Prompt-Pay Discount for payments made within 10 days;
- 24-hour quick-ship program for most products (22,000 SKUs);
- Ability to pursue bulk discounts on large orders.

Consult the [FAC95 Contract User Guide](#) for product category details and guidance to obtain quotes. Refer additional questions about FAC95 to [Steve Lyons](#).

Find information about all statewide contracts [here](#).

Filing Window Opens for E-Rate Program: Use Statewide Contracts to Streamline the E-Rate Process

The Federal Communications Commission's (FCC) E-Rate Program offers discounts between 20-90 percent of the purchase of eligible telecommunications services and products. Statewide contracts (SWC) facilitate the E-Rate filing process, providing a selection of awarded vendors for buyer consideration. Moreover, OSD has already filed FCC Form 470 (Description of Services Requested and Certification Form) on behalf of buyers for each eligible SWC. Find detailed information about using SWCs for the E-Rate program on [OSD's website](#).

Contact OSD at [OSDOutreach@state.ma.us](mailto:OSDOutreach@state.ma.us).

## February Municipal Calendar

February 1

Taxpayer

**Deadline for Payment of 3rd Quarterly Tax Bill Without Interest**

According to MGL Ch. 59, Sec. 57C, this is the deadline for receipt of the 3rd Quarter actual tax payment without interest, unless the actual tax bills were mailed after December 31st. If mailed after December 31st, the actual tax is due as a single installment on May 1st, or 30 days after the bills were mailed, whichever is later.

February 1

Taxpayer

**Quarterly Tax Bills Application Deadline for Property Tax Abatement**

According to MGL Ch. 59, Sec. 59, applications for abatements are due on Feb. 1st unless actual tax bills were mailed after December 31st. In that case they are due May 1st, or 30 days after mailing,



		whichever is later.
<b>February 28</b>	<b>Finance Committee</b>	<b>Continue Budget Review and Develop Recommendations</b>  This date will vary depending on dates of town meeting.
<b>Final Day of Each Month</b>	<b>State Treasurer</b>	<b>Notification of monthly local aid distribution.</b>  Click <a href="http://www.mass.gov/treasury/cash-management">www.mass.gov/treasury/cash-management</a> to view distribution breakdown.
<p>To unsubscribe to <i>City &amp; Town</i> and all other DLS Alerts, please click <a href="#">here</a>.</p>		