



Informational Guideline Release

Bureau of Municipal Finance Law
Informational Guideline Release (IGR) No. 17-09
April 2017

Supersedes IGR 85-204, IGR 88-205 and Inconsistent Prior Written Statements

SINGLE PROPERTY TAX BILLS

(G.L. c. 59, § 57A)

This Informational Guideline Release (IGR) informs local officials of a change made by the recent Municipal Modernization Act regarding the local option allowing collectors to issue a single property tax bill.

Topical Index Key:

Tax Bills

Distribution:

Assessors

Collectors

Supersedes IGR 85-204, IGR 88-205 and Inconsistent Prior Written Statements

SINGLE PROPERTY TAX BILLS

(G.L. c. 59, § 57A)

SUMMARY:

These guidelines explain amendments made by the Municipal Modernization Act to the local option statutes that let cities and towns make small property tax bills payable in a single installment.

Under the amendments, in cities and towns that accept [G.L. c. 59, § 57A](#), small preliminary or actual tax bills of \$100 or less will be due and payable in a single installment. Previously, under local acceptance [G.L. c. c. 59, § 57A](#), the amount was \$25 or less and under local acceptance [G.L. c. 59, § 57B](#), which has been repealed, it was \$50 or less. In addition, both acceptance statutes only applied to actual bills in semiannual billing communities. Now, regardless of the billing system used, all small property tax bills of \$100 or less issued in a city or town that accepts [G.L. c. 59, § 57A](#) are payable in a single installment.

Cities and towns that have accepted [G.L. c. 59, § 57A](#) do not need to take any further action. The amended statute governs its issuance of preliminary and actual property tax bills of \$100 or less. However, communities that accepted the repealed [G.L. c. 59, § 57B](#) must accept [G.L. c. 59, § 57A](#) to continue making small property tax bills payable in a single installment.

These guidelines are in effect and supersede Informational Guideline Release (IGR) No. 85-204, *Property Tax Bills of \$25 or Less*, IGR 88-205, *Use of a Single Property Tax Bill*, and any inconsistent prior written statements or documents.

GUIDELINES:

A. LOCAL ACCEPTANCE

1. Acceptance Procedure

Acceptance of [G.L. c. 59, § 57A](#) is by vote of the municipality's legislative body, subject to charter. [G.L. c. 4, § 4](#). (See attached sample acceptance vote.)

2. Revocation of Acceptance

Acceptance may be revoked, but the city or town must wait until at least three years after acceptance to do so. Revocation is also by vote of the municipality's legislative body, subject to charter. [G.L. c. 4, § 4B](#).

3. Notification of Acceptance or Revocation

The city or town clerk must notify the Municipal Databank if the small property tax bill option is accepted or revoked. (See “[Notification of Acceptance or Revocation](#).”) The notification should be made as soon as possible after the vote.

4. Effective Date

The small property tax bill option takes effect for the fiscal year that begins the next July 1 after the date the statute is accepted, unless a later fiscal year is designated in the acceptance vote. Revocation of the statute terminates use of the option at the end of the fiscal year in which the revocation is voted, unless a later fiscal year is designated in the revocation vote.

B. SINGLE PROPERTY TAX BILL

1. Amount and Due Date

In a city or town that has accepted [G.L. c. 59, § 57A](#), a preliminary or actual tax of \$100 or less, which includes any assessments or charges added to the tax, is due and payable in a single installment. The payment is due on the date the first installment of the preliminary or actual tax would ordinarily be due under the payment system used by the city or town.

Example 1
Semi-annual Billing System

Community A issues actual tax bills on October 1. The first actual installment equal to half the actual tax, plus assessments and charges added to the tax, is due on November 1. The second installment of the remaining half of the actual tax is due May 1.

- Property 1 Actual Bill = \$100 (\$100 actual tax). \$100 is due on November 1.
- Property 2 Actual Bill = \$100 (\$75 actual tax + \$25 overdue municipal charge). \$100 is due on November 1.
- Property 3 Actual Bill = \$120 (\$90 actual tax + \$30 overdue water charge). \$75 (.50 x \$90 actual tax + \$30 overdue water charge) is due November 1 and \$45 (.50 x \$90 actual tax) is due May 1.

Example 2
Quarterly Billing System

Community B issues preliminary tax bills on June 28. The first installment (1st quarter) equal to half of the preliminary tax, and assessments and charges added to the preliminary tax, is due on August 1. The second installment (2nd quarter) of the remaining half of the preliminary tax and assessments and charges added to the preliminary tax is due May 1.

Community B issues actual tax bills on December 27. The first installment (3rd quarter) equal to half of the balance of the actual tax, and assessments and charges added to the actual tax, (after credit for preliminary tax) is due February 1 and the second installment (4th quarter) is due May 1.

- Property 1 Preliminary Bill = \$90 (\$90 preliminary tax). \$90 is due on August 1.
Actual Bill = \$100 (\$190 actual tax - \$90 preliminary tax). \$100 is due on February 1.
- Property 2 Preliminary Bill = \$110 (\$85 preliminary tax + \$25 overdue municipal charge). \$55 (.50 x \$110 preliminary tax) is due on August 1 and \$55 (.50 x \$110 preliminary tax) is due on November 1. Actual Bill = \$100 (\$185 actual tax + \$25 overdue municipal charge - \$110 preliminary tax). \$100 is due on February 1.
- Property 3 Preliminary Bill = \$100 (\$100 preliminary tax). \$100 is due August 1.
Actual Bill = \$140 (\$210 actual tax + \$30 overdue water charge - \$100 preliminary tax). \$70 is due on February 1 (.50 x \$140 actual tax) and \$70 is due on May 1 (.50 x \$140 actual tax).

2. Interest

Interest accrues at the rate of 14 percent a year on the amount of the single preliminary or actual tax installment not paid by the payment due date, calculated from that date until the date payment is made.

SAMPLE

(Sample should not be used without the advice of municipal counsel.)

SINGLE PROPERTY TAX BILL ACCEPTANCE

Legislative Body Vote

ARTICLE/ORDER. To see if the city/town will accept [General Laws Chapter 59, Section 57A](#), which makes property tax bills of \$100 or less payable in a single installment, beginning in fiscal year _____, or take any other action relative thereto.

MOTION. Moved/ordered that the city/town accept [General Laws Chapter 59, Section 57A](#), which makes property tax bills of \$100 or less payable in a single installment, beginning in fiscal year _____.