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BLA Pilots Self-Reporting

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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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Each year, the Bureau of Local Assessment (BLA) issues a survey to local assessors designed to help us identify ways that we can improve certification process operations. A frequent critique is the overall length of time the process takes. In response to this feedback, BLA continues to improve communication and streamline our approach.

In the past, communities provided BLA with stacks of paperwork (or more recently multiple PDFs and Excel worksheets). As the stacks, physical and virtual, became taller and taller as communities submitted them, we would become overwhelmed. It was tedious, time consuming, and frustrating both internally and for communities that were anxious to set their tax rates.

We decided to see what would happen if we let communities in their certification year input data directly into the reports with support from BLA staff. This way, rather than hunting everything down, we would simply verify whether the data entered by the assessor was correct. In a certification year, assessors complete their work in stages, and then submit it to BLA all at once. By letting assessors fill out the report, they can complete the work section by section as they complete each stage.

We believe this new approach will be mutually beneficial to assessors and BLA staff. For assessors, this process will promote transparency as they gain clarity in what analysis we ask for and why we ask for it. For BLA staff, it eliminates a lot of time usually spent searching, allowing them to spend more time in areas that might need more attention. Ultimately, the goal is for both sides to produce a better, more efficient product.

The form, called the Community Certification Report (CCR), is in Excel format and features "bubbles" that pop up as you roll the cursor over

each field that help the user navigate through it. Additionally, there is a document available with step-by-step instructions.

For FY2017, we kicked off a voluntary pilot program for assessors to try the CCR form out. It is yet to be determined if this new process will be beneficial or not in terms of improving workflow, but the early feedback we are receiving has been positive - and we have had no shortage of volunteers.

"As a result of participating in the CCR Program we have a better understanding of the Certification process. The insight gained through this program of how the data is reported within your agency allows us to present our work in a manner more consistent with actual flow of information. This has been very beneficial in improving the efficiency of the entire process. We look forward to the continued progressive, innovative, and cooperative efforts by the Bureau of Local Assessment." - Paul Kapinos, President, pkValuationGroup

If you would like to participate in this pilot program, please inform your BLA field advisor. The form, along with instructions, can be found at <http://www.mass.gov/dor/local-officials/assessor-info/certification.html> under Community Certification Report (in Excel) and Community Certification Report Instructions (In PDF).

Helpful Information on Reimbursements for Property Tax Exemptions

Lisa Krzywicki - Municipal Databank and Local Aid Section Director

Once a community has set its tax rate is set, taxpayers have 90 days to request abatements from the local board of assessors. The Municipal Databank recommends communities submit requests for reimbursement as soon as the abatement period ends. These forms can be found in Gateway under the Misc. Forms tab, in the left hand pane under Property Tax Exemptions.

The screenshot shows the 'Division of Local Services Gateway' website. The top navigation bar includes links for Tracking, Certification, Taxrate, Districts, Taxrate, Schedule A, Misc Forms, MDM, Directory, Legal, Other, Apps, Security, and Admin. The 'Misc Forms' section is active, displaying a list of miscellaneous forms on the left and a main content area on the right. The main content area contains information about the Property Tax Exemptions process, including a 'New In Release 3 (May 14, 2016)' update regarding the amount of reimbursement for Paraleptic Exemptions and the new 'Land of Low Value' button in the parcel screen.

Misc Forms
Miscellaneous Forms

This module allows you to work on various forms associated with several processes:

- Community Preservation
- Year-end accounting (click here to go to the [Bureau of Accounts](#) page for more information)
- Land of Low Value
- Property Tax Exemptions
- 8 of 58 abatement reporting

New In Release 3 (May 14, 2016)

Property Tax Exemptions - Important Note - A change regarding Paraleptic Exemptions effective for FY2016 is now active in the DLS Gateway application. The amount on the Paraleptic form has been changed to \$175, and the heading formerly labeled 'Amount Abated' now reads 'Amount Reimbursed', and displays the amount the Commonwealth will be reimbursing the community. Please contact the Databank with questions: 617.626.2304.

Land of Low Value has been redesigned to simplify the parcel submission process. Assessors and Treasurers can now check the validity of parcel data prior to submission by using the new Validate Data button in the parcel screen. Treasurers can group one or more parcels together for submission to the Municipal Finance Law Bureau in a new Group Submit screen. Please visit MFLB's [Land of Low Value page](#) for more information, and download our new [Applying for a Land of Low Value Affidavit](#) guide for detailed instructions on LLDV requirements and the new submission process.

Minor changes were made to certain **Year End Accounting** forms. Contact your Bureau of Accounts field representative for more information.

(To view a larger image, click [here](#).)

To ensure that Gateway will accept the forms, communities must submit them in the following order

1. Paraplegic (if applicable)
2. Veteran's Exemption
3. Retroactive 22D (if applicable)
4. MDM-1 form

If you are unable to move on to the Veteran's Exemption or MDM-1 form, you probably did not submit your Paraplegic or Veteran's forms.

Sometimes Gateway can delay or time out if there are multiple tabs open or if you make a misstep. If so, simply log out and log back in to Gateway and it might correct itself.

Three common issues are:

1. A community cannot add a new Veteran or Surviving Spouse in the Veteran's Exemption form. This issue can happen if the user is in the wrong fiscal year, for which forms can no longer be edited. Check the fiscal year and try again.
2. A user attempts to enter information to the MDM-1 form in the orange highlighted areas. Since these areas contain information populated by the Paraplegic, Retroactive 22D and Veteran's Exemption Forms, they are locked and cannot be edited. Only information in the white cells (captured in red below) can be edited. For the Veterans Clause 22A-22E you must enter the dollar amount of taxes abated, but the count is transferred from the Veterans form.

Clause	Type	Number of Exemptions Granted	Tax Dollars Abated on Exemptions	State Reimbursement
17	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17C	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17C 1/2	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17D	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
18	Hardship	0	0.00	0.00
18A	Deferred taxes	0	0.00	0.00
22(a-f)	Veterans	0	0.00	0.00
Para	Paraplegics & surviving spouses of paraplegics (G.L. 58 §8)	0	0.00	0.00

If the information in the orange cells is incorrect, go back to the previous forms and correct the error there. If the form has already been approved, email the Municipal Databank at the email address provided below to request that your form be "unapproved for community edit."

3. If data is populating in the wrong field, say 17C instead of 17D then send us an email, explaining the situation. Be sure to attach the Local Option adoption information so we can update your

information correctly.

Once a municipality's forms have been approved, the Databank will remit a payment within the following four weeks. If you have any questions about your forms or the process itself, please don't hesitate to contact us.

The Municipal Databank is always interested in feedback on the usability of our databank reports. Comments and suggestions can be sent to databank@dor.state.ma.us.

Ask DLS

This month's *Ask DLS* features frequently asked questions regarding tax title foreclosures. Please let us know if you have other areas of interest or send a question to cityandtown@dor.state.ma.us. We would like to hear from you.

If the Land Court issues a tax title foreclosure decree, what happens to the tax title account?

The treasurer should provide a copy of the foreclosure decree to the accounting officer and assessors. The accounting officer should then transfer the amount in the tax title account (tax liens) to another account on the balance sheet called tax foreclosures (formerly called tax possessions). See [Uniform Massachusetts Accounting System \(UMAS\)](#) manual for cities, towns, regional school districts and special purpose districts (July 2014). The assessors should remove the property from the tax rolls for the fiscal year that begins the July 1 after the date the decree is entered.

What happens to taxes owed that were not part of the tax title account when the foreclosure decree was issued?

Taxes on the collector's books after tax title foreclosure because they were not certified to the tax title account before the foreclosure decree was issued, or were inadvertently assessed for a fiscal year after the year in which the foreclosure decree was issued, should be certified by the collector to the treasurer and accounting officer and transferred to the tax foreclosure account pending a final disposition of the property. If the disposition is for an amount below that carrying basis or there is a conversion to public use, the loss of revenue is accounted in the General Fund, not by abatement. See [Uniform Massachusetts Accounting System \(UMAS\)](#) manual for cities, towns, regional school districts and special purpose districts (July 2014).

Can the taxpayer petition the Land Court to vacate a tax title foreclosure decree?

Yes. The taxpayer may file a petition to vacate a tax title foreclosure decree within one year of the decree and redeem the parcel. [MGL c. 60, sec. 69A](#). If the municipality does not oppose the petition, it should request the Land Court to fix the terms of redemption to include (1) the amount required to redeem the parcel on the date of the foreclosure decree, (2) any interest that would have accrued on the tax title amount if the decree had not been issued, (3) taxes and charges that would have been owed if the decree had not been issued and (4) any costs incurred by the municipality to secure the property.

Can a parcel be sold after the Land Court issues a tax title foreclosure decree?

Yes. Title vests in the municipality upon issuance of the tax title foreclosure decree by the Land Court, [MGL c. 60, sec. 64](#), and the municipality may sell the property or dedicate it to municipal use. As a practical matter, however, municipalities often wait for one year before doing so in order to see whether the taxpayer will petition the Land Court to vacate the foreclosure decree and redeem.

The property may be sold at auction by the municipality's tax title custodian (who is usually the treasurer) under the procedure specified in [MGL c. 60, sec. 77B](#). Alternatively, the municipality may sell the property in any other manner authorized by law. See, e.g., [MGL c. 40, sec. 3](#); [MGL c. 30B, sec. 16](#). Proceeds from the sale become part of the municipality's free cash. [MGL c. 59, sec. 23](#). This is unlike the proceeds from the sale of municipal real property other than tax foreclosures. Those proceeds are credited to the sale of real estate fund and can only be appropriated for certain limited purposes. [MGL c. 44, sec. 63](#).

Does the municipality have any recourse if it cannot recover the amount owed on a foreclosed tax title because it exceeds the value of the parcel?

Yes. If the fair cash value of the property is less than the amount in the tax title account as of the date of the foreclosure decree, the municipality may bring a civil suit against the assessed owner for the deficiency. The municipality is not limited to the remedy of foreclosure of the lien.

In [Boston v. Gordon](#), 342 Mass. 586 (1961) the Supreme Judicial Court reasoned that a tax title foreclosure is analogous to a mortgage foreclosure. When there is a mortgage foreclosure, the mortgage debt is discharged to the extent of the parcel's fair cash value as of that date. If there is a deficiency, the mortgagee may enforce the personal liability. Similarly, in [Gordon](#), the Court held that a tax title foreclosure extinguishes the tax liabilities in the tax title account only to the extent of the value of the property at the time of the foreclosure decree. It does not discharge the assessed owner's personal liability for taxes and charges that are part of the account or for other amounts assessed

but not certified to the account on or before that time. To determine the taxes for which personal liability remains, the Court interpreted [MGL c. 60, sec. 43](#) to mean that the fair cash value of the property on the date of the foreclosure is applied to the taxes and charges, including related interest and collection costs, in the tax title account in the chronological order they were committed to the collector. Any action to recover those amounts must be brought within the six year statute of limitations on civil suits under [MGL c. 260, sec. 2](#). That statute bars any contract action where the tax or charge was assessed more than six years before the commencement of the lawsuit against the assessed owner. In [Gordon](#), the assessed owner was personally liable for taxes assessed in the prior six years, including two years not certified to the tax title until after the foreclosure decree.

OSD: Savings Opportunities on MRO Products and Supplies

Operational Services Division

Attend a statewide contract FAC94 information session. The Operational Services Division is hosting maintenance, repair, and operations (MRO) information sessions around the state focusing on ways buyers can maximize quality and value using the new [FAC94 Statewide Contract](#). Senior Sourcing Manager Maureen Barends will present the contract's benefits, and the five FAC94 awarded contractors will be on hand to answer questions about available products and services.

Contract Highlights

MRO industrial/commercial products from Fastenal, Grainger, and MSC

- Significant savings over previous MRO contract prices, conservatively estimated to be 23-35%
- Over one million items available
- Local vendor representatives
- Easily convert e-quotes to PunchOut purchases
- Next-day delivery for stock items
- Nearly 50 pick-up locations around the state

New hand and power tools category from Hilti and Snap-on-Tools

- Percentage-off discounts on hundreds of products
- On-site tool trial and demonstration
- Dedicated sales representatives by region

Meet the five awarded vendors. Learn how to stretch your budget dollars. Select a location and sign up for an FAC94 information session today.

[Boston](#): Thursday, July 21st, 1:30pm-3:30pm
[Barnstable](#): Tuesday, July 26st, 9:30am-11:30am
[Stoughton](#): Thursday, July 28st, 9:30am-11:30am
[Haverhill](#): Wednesday, August 3st, 9:30am-11:30am
[Stockbridge](#): Wednesday, August 10st, 1:30pm-3:30pm
[Leicester](#): Tuesday, August 23st, 10:30am-12:30pm

View our [FAC94 event flyer](#). Find the [FAC94 Contract User Guide](#). For more information, email osdoutreach@state.ma.us.

July Municipal Calendar

<p>July 1</p>	<p>Collector</p>	<p>Mail Annual Preliminary Tax Bills</p> <p>For communities issuing annual preliminary tax bills, the preliminary quarterly or semi-annual bills should be mailed by this date.</p>
<p>July 15</p>	<p>Accountant</p>	<p>Certification Date for Free Cash: Anytime after Books are Closed</p> <p>Two weeks after the close of a fiscal year, all accounts are closed out and the resulting balance sheet and supplemental documentation submitted to DOR. Free cash is certified any time after this date.</p>
<p>July 15</p>	<p>Accountant</p>	<p>Report Community Preservation Fund Balance: Anytime after Books are Closed</p> <p>After the close of a fiscal year, the fund balance is submitted to DOR (Form CP-2) and notice given to the Community Preservation Committee and other financial officers. The fund balance may be</p>

		appropriated anytime after that report.
July 15	School Business Officials	Certification Date for Excess and Deficiency (E&D) Fund Two weeks after the close of a fiscal year, all accounts are closed and the resulting balance sheet (a pre-closing trial balance or audited financial statements will not be accepted unless requested by the Director of Accounts) and supplemental documentation are submitted to DOR. E&D Fund is certified any time after this date.
July 15	Assessors	Deadline for Appealing Commissioner's Pipeline Valuations to ATB
July 20	DOR/BLA	Notification of Changes in Proposed EQVs (even numbered years only)
July 20	DOR/BLA	Notification of Changes in Proposed SOL Valuations (every 4th year after 2005)
Final Day of Each Month	State Treasurer	Notification of monthly local aid distribution. Click www.mass.gov/treasury/cash-management to view distribution breakdown.

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