

SENATE No. 1802

The Commonwealth of Massachusetts

PRESENTED BY:

Michael D. Brady

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to providing better notices and protections in the process for collecting delinquent property taxes.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Michael D. Brady</i>	<i>Second Plymouth and Bristol</i>	
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>3/1/2021</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>	<i>4/26/2021</i>

SENATE No. 1802

By Mr. Brady, a petition (accompanied by bill, Senate, No. 1802) of Michael D. Brady and James B. Eldridge for legislation to provide better notices and protections in the process for collecting delinquent property taxes. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2583 OF 2019-2020.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act relative to providing better notices and protections in the process for collecting delinquent property taxes.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Said subsection (c) of said subsection 2C of said chapter 60, as so
2 appearing, is hereby further amended by striking out paragraph (9) and inserting in place thereof
3 the following paragraph:-

4 (9) A purchaser owning any tax receivable shall give notice to a taxpayer, to the
5 appropriate municipality and the local or regional council on aging, within 12 business days of
6 purchasing said tax receivable. The notice shall have the name, address, telephone number and
7 preferred method of communication with said purchaser and any service agent acting on behalf
8 of said purchaser. Whenever the purchaser or the service agent of such tax receivables shall
9 change, the new purchaser or service agent shall provide the notice required herein within 12

10 business days of the effective date of such change. Where the land is residential such notice
11 shall be served on the taxpayer in the manner required by law for the service of subpoenas on
12 witnesses in civil cases and shall include a uniform notice approved by the attorney general, in
13 language understandable by a least sophisticated consumer, together with a notice in the 5 most
14 common languages in the commonwealth that this notice affects important legal rights and
15 should be translated immediately and such notice shall state:

16 (i) that a complaint to foreclose the tax title may be filed on or after a specific date;

17 (ii) that the tax title has been sold to a third party;

18 (iii) why the property was taken and that the owner may redeem the property and
19 the date when the redemption period expires;

20 (iv) the components of the amount required to redeem the property and the
21 procedure for redemption;

22 (v) that if a complaint to foreclose the tax title is filed and the owner does not
23 respond by filing an answer the court may enter an order defaulting the owner;

24 (vi) that if a complaint to foreclose the tax title is filed, the owner may respond by
25 filing an answer that requests that the court set the terms by which the owner may redeem the
26 property;

27 (vii) that if the property is not redeemed, the purchaser is entitled to receive an
28 order from the land court that completes a transfer of ownership of the property to the town or
29 purchaser and permanently eliminates any rights the owner has in the property, as well as any
30 equity the owner had in the property;

31 SECTION 2. Section 16 of said chapter 60, as so appearing, is hereby amended by
32 striking out, in lines 2 to 3, inclusive, the words “or arresting him for his tax”.

33 SECTION 3. Said section 16 of said chapter 60, as so appearing, is hereby further
34 amended by striking out the seventh sentence and inserting in place thereof the following
35 sentence:- Demand shall be made by the collector by mailing the same to the last or usual place
36 of business or abode, or to the address best known to him or her, and failure to receive the same
37 shall not invalidate a tax or any proceedings for the enforcement or collection of the same;
38 provided, that if the land is residential a uniform notice approved by the attorney general, in
39 language understandable by a least sophisticated consumer, together with a notice in the 5 most
40 common languages in the commonwealth shall be used that states that this notice affects
41 important legal rights and should be translated immediately, and provides clear notice that the
42 non-payment of property taxes can result in the taking of the property and that the property
43 owner may be eligible for exemptions, abatements and tax deferrals and other assistance and
44 should contact the collector of taxes office together with the address, telephone number, email
45 address, if available, and internet address for further information.

46 SECTION 4. Said chapter 60 is hereby further amended by striking out section 52 and
47 inserting in place thereof the following section:-

48 Section 52. Cities and towns may make regulations for the possession, management and
49 sale of land purchased or taken for taxes, not inconsistent with law, regulations promulgated by
50 the department of revenue or the right of redemption. The treasurer of any city or town holding 1
51 or more tax titles may assign and transfer such tax title or titles, individually or bundled, to the
52 highest bidder after a public auction, after having given 30 days’ notice of the time and place of

53 such public auction by publication with a copy of such notice to the local or regional council on
54 aging, which shall conform to the requirements of section 40, and having posted such notice in 2
55 or more convenient and public places in said city or town, provided that the sum so paid for such
56 assignment is not less than the amount necessary for redemption, and may execute and deliver on
57 behalf of the city or town any instrument necessary therefor. Only those bidders that are licensed
58 as debt collectors by the commonwealth shall be eligible to participate in this sale. Regardless of
59 whether the assignment is pursuant to this section or section 2C, the treasurer shall send notice of
60 the intended assignment to the owner of record of each parcel at his or her last known address
61 not less than 10 days prior to the assignment. Where the land is residential such notice shall be
62 served in the manner required by law for the service of subpoenas on witnesses in civil cases and
63 shall include a uniform notice approved by the attorney general, together with a notice in the 5
64 most common languages in the commonwealth that this notice affects important legal rights and
65 should be translated immediately in language understandable by a recipient with a least
66 sophisticated consumer that the treasurer intends to sell the tax title to the homeowner's property.
67 The notice shall clearly state that the non-payment of property taxes can result in the loss of the
68 property and that the property owner may be eligible for exemptions, abatements and tax
69 deferrals and other assistance and should contact the collector of taxes office together with the
70 telephone number, email address, if available, and internet address for further information.

71 The instrument of assignment shall be in a form approved by the commissioner and
72 shall be recorded within 60 days from its date and if so recorded shall provide a rebuttable
73 presumption as to all facts essential to its validity. The instrument of assignment shall, for each
74 parcel assigned thereunder, state the amount for which the tax title on the parcel could have been
75 redeemed on the date of the assignment, separately stating for each parcel the principal amount

76 and the total interest accrued until the date of assignment. The principal amount shall be the sum
77 of the amounts for which the parcel was taken and amounts subsequently certified under section
78 61 and costs of service if applicable. Except as hereinafter otherwise provided, all provisions of
79 law applicable in cases where the original purchaser at a tax sale is another than the city or town
80 shall thereafter apply in the case of such an assignment, as if the assignee had been a purchaser
81 for the original sum at the original sale or at a sale made at the time of the taking and had paid to
82 the city or town the subsequent taxes and charges included in the sum paid for the assignment.
83 Any extension of the time within which foreclosure proceedings may not be instituted granted by
84 a municipality's treasurer prior to assignment shall be included in the language of sale and be
85 binding upon the assignee.

86 SECTION 5. Section 53 of said chapter 60, as so appearing, is hereby amended by
87 inserting after the word "published," in line 4, inclusive, the following words:- where the land is
88 residential such notice shall be served in the manner required by law for the service of subpoenas
89 on witnesses in civil cases and published.

90 SECTION 6. Said section 53 of said chapter 60, as so appearing, is hereby further
91 amended by adding the following paragraph:-

92 Where the land is residential all notices sent pursuant to this section shall include an
93 uniform notice approved by the attorney general, together with a notice in the five most common
94 languages in the commonwealth that this notice affects important legal rights and should be
95 translated immediately. Such notice shall state in language understandable by least sophisticated
96 consumer:

97 (i) What taxes or other municipal costs remain unpaid;

98 (ii) The taxpayer's right to redemption, the components of the amount required to
99 redeem the property, the procedure for redemption, and the date when the redemption period
100 expires;

101 (iii) That a complaint to foreclose the tax title may be filed on or after a specific
102 date;

103 (iv) That the tax title may be sold to a third party;

104 (v) That if a complaint to foreclose the tax title is filed and the owner does not
105 respond by filing an answer the court may enter an order defaulting the owner;

106 (vi) That if a complaint to foreclose the tax title is filed, the owner may respond by
107 filing an answer that requests that the court set the terms by which the owner may redeem the
108 property;

109 (vii) That if the property is not redeemed, the town or purchaser is entitled to
110 receive an order from the land court that completes a transfer of ownership of the property to the
111 town or purchaser and permanently eliminates any rights the owner has in the property; and

112 (viii) That if the property is not redeemed, the property may be sold at auction and
113 the owner will likely loses significant equity in the property.

114 SECTION 7. Said chapter 60 is hereby further amended by striking out subsection 62A
115 and inserting in place thereof the following section:-

116 Section 62A. Municipalities may by ordinance or bylaw authorize payment agreements
117 between the treasurer and persons entitled to redeem parcels in tax title. Such agreements shall
118 be for a maximum term of no more than 10 years and may waive not more than 50 per cent of

119 the interest that has accrued on the amount of the tax title account unless someone aged 60 or
120 older or whose primary source of income is disability benefits is on the deed for the parcel and
121 the parcel is his or her primary residence, in which case 75 per cent of the interest that has
122 accrued on the amount of the tax title may be waived, subject to such lower limit as the
123 ordinance or bylaw may specify. An ordinance or bylaw under this section shall provide for such
124 agreements and waivers uniformly for classes of tax titles defined in the ordinance or bylaw. Any
125 such agreement must require a minimum payment at the inception of the agreement of 5 per cent
126 of the amount needed to redeem the parcel. During the term of the agreement the treasurer may
127 not bring an action to foreclose the tax title unless payments are not made in accordance with the
128 schedule set out in the agreement or timely payments are not made on other amounts due to the
129 municipality that are a lien on the same parcel.

130 SECTION 8. Section 65 of said chapter 60, as so appearing, is hereby amended by
131 striking out, in line 4, the words “after six months” and inserting in place thereof the following
132 words:- after 12 months.