

**HOUSE . . . . . No. 2883**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***John J. Mahoney***

*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 the improvement in the process for collecting delinquent municipal property taxes.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>John J. Mahoney</i>	<i>13th Worcester</i>	<i>1/17/2023</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>1/26/2023</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>	<i>3/22/2023</i>
<i>David Henry Argosky LeBoeuf</i>	<i>17th Worcester</i>	<i>3/22/2023</i>

**HOUSE . . . . . No. 2883**

By Representative Mahoney of Worcester, a petition (accompanied by bill, House, No. 2883) of John J. Mahoney and Daniel M. Donahue relative to the collection, assignment or transfer of delinquent property taxes by cities and towns. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 2994 OF 2021-2022.]

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Third General Court  
(2023-2024)**  
\_\_\_\_\_

An Act relative to the improvement in the process for collecting delinquent municipal 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. Section 2 of chapter 60 of the General Laws, as appearing in the 2020  
2 Official Edition, is hereby amended by adding the following paragraph:-

3 The filing fees paid by any municipality for recording any documents pursuant to this  
4 chapter shall be \$30.

5 SECTION 2. Subsection (c) of section 2C of said chapter 60, as so appearing, is hereby  
6 amended by striking out paragraph (1) and inserting in place thereof the following paragraph:-

7 (1) The sale of tax receivables shall be by public sale to the most responsible and  
8 responsive offeror taking into consideration the following evaluation criteria: (i) the price

9 proposed by the offeror; (ii) the offeror's qualifications and experience; (iii) the offeror's plan for  
10 communicating with the taxpayers; (iv) whether the offeror has a regular place of business in the  
11 commonwealth; (v) whether the offeror is in good standing with the department of revenue; (vi)  
12 only those offerors that are licensed as debt collectors by the commonwealth shall be eligible to  
13 participate in this sale; and (vii) other criteria determined by the commissioner and the  
14 municipality. The sale shall provide for the option to purchase subsequent tax receivables subject  
15 to subsection (h) and any regulations that may be promulgated by the commissioner pursuant  
16 thereto.

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

20 (9) A purchaser owning any tax receivable shall give notice to a taxpayer within 12  
21 business days of purchasing said tax receivable and to the appropriate municipality of the name,  
22 address, telephone number and preferred method of communication with said purchaser and any  
23 service agent acting on behalf of said purchaser within 12 business days of purchasing said tax  
24 receivable and where the land is residential such notice shall be served in the manner required by  
25 law for the service of subpoenas on witnesses in civil cases and shall include a uniform notice  
26 approved by the attorney general, in language understandable by a least sophisticated consumer,  
27 together with a notice in the 5 most common languages in the commonwealth that this notice  
28 affects important legal rights and should be translated immediately and such notice shall state:

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

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

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

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

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

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

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

42 (viii) that if the property is not redeemed, the property may be sold at auction and the  
43 owner will likely lose significant equity in the property, together with the name, address,  
44 telephone number and preferred method of communication with said purchaser and any service  
45 agent acting on behalf of said purchaser; and

46 (ix) that upon request by the taxpayer, the municipality shall furnish a copy of such  
47 information to the taxpayer within 12 business days of receiving such request.

48 Whenever the tax purchaser or the service agent of such tax receivables shall change, the  
49 new purchaser or service agent shall provide the notice required herein within 12 business days  
50 of the effective date of such change.

51 SECTION 4. Said section 2C of said chapter 60, as so appearing, is hereby further  
52 amended by adding the following subsection:-

53 (k) If the purchaser of a tax receivable on any parcel of real estate subsequently  
54 forecloses upon the property, it shall request that the land court approve all reasonable expenses  
55 it has incurred and shall provide a notice to the former owner of the right to redeem for this  
56 amount within 1 year. If the land is residential such notice shall be served in the manner required  
57 by law for the service of subpoenas on witnesses in civil cases and shall include a uniform notice  
58 approved by the attorney general, in language understandable by a least sophisticated consumer,  
59 together with a notice in the 5 most common languages in the commonwealth that this notice  
60 affects important legal rights and should be translated immediately and such notice shall state the  
61 following:- (i) that the land has been foreclosed upon and may be redeemed for a specific amount  
62 by a date certain that shall be listed, and shall attach all documents filed at land court related to  
63 the foreclosure of the property and (ii) that if it is not redeemed it will be sold at public auction.

64 If the land is redeemed, the foreclosing entity shall take whatever action is necessary to  
65 vacate and rescind the foreclosure in land court and record that the title has been redeemed by  
66 filing a document at the registry of deeds for the district in which the land lies entitled  
67 “Satisfaction of Tax Title Liability.”

68 If the land is not redeemed within 1 year, then the foreclosing entity shall publish a  
69 notice of auction of the land in each of 3 successive weeks, the first publication of which shall be  
70 not less than 21 days before the day of sale, in a newspaper published in the city or town where  
71 the land lies or in a newspaper with general circulation in the city or town where the land lies and  
72 notice of the sale has been sent by registered mail to the owner or owners of record. If the

73 purchaser sells the land at auction, the balance of any proceeds above and beyond reasonable  
74 expenses as approved by the land court shall be equally divided between the owner and the  
75 municipality that sold the tax title with a detailed accounting of these expenses within 60 days of  
76 such sale.

77 SECTION 5. Section 16 of said chapter 60, as so appearing, is hereby amended by  
78 striking out, in lines 2 to 3, inclusive, the words “or arresting him for his tax”

79 SECTION 6. Said section 16 of said chapter 60, as so appearing, is hereby further  
80 amended by striking out the seventh sentence and inserting in place thereof the following  
81 sentence:- Demand shall be made by the collector by mailing the same to the last or usual place  
82 of business or abode, or to the address best known to him or her, and failure to receive the same  
83 shall not invalidate a tax or any proceedings for the enforcement or collection of the same;  
84 provided, that if the land is residential a uniform notice approved by the attorney general, in  
85 language understandable by a least sophisticated consumer, together with a notice in the 5 most  
86 common languages in the commonwealth shall be used that states that this notice affects  
87 important legal rights and should be translated immediately, and provides clear notice that the  
88 non-payment of property taxes can result in the taking of the property and that the property  
89 owner may be eligible for exemptions, abatements and tax deferrals and other assistance and  
90 should contact the collector of taxes office together with the address, telephone number, email  
91 address, if available, and internet address for further information.

92 SECTION 7. Said chapter 60 is hereby further amended by striking out section 52 and  
93 inserting in place thereof the following section:-

94           Section 52. Cities and towns may make regulations for the possession, management and  
95 sale of land purchased or taken for taxes, not inconsistent with law, regulations promulgated by  
96 the department of revenue or the right of redemption. The treasurer of any city or town holding 1  
97 or more tax titles may assign and transfer such tax title or titles, individually or bundled, to the  
98 highest bidder after a public auction, after having given 60 days' notice of the time and place of  
99 such public auction by publication, which shall conform to the requirements of section 40, and  
100 having posted such notice in 2 or more convenient and public places in said city or town,  
101 provided that the sum so paid for such assignment is not less than the amount necessary for  
102 redemption, and may execute and deliver on behalf of the city or town any instrument necessary  
103 therefor. Only those bidders that are licensed as debt collectors by the commonwealth shall be  
104 eligible to participate in this sale. Regardless of whether the assignment is pursuant to this  
105 section or section 2C, the treasurer shall send notice of the intended assignment to the owner of  
106 record of each parcel at his or her last known address not less than 10 days prior to the  
107 assignment, where the land is residential such notice shall be served in the manner required by  
108 law for the service of subpoenas on witnesses in civil cases and shall include a uniform notice  
109 approved by the attorney general, together with a notice in the 5 most common languages in the  
110 commonwealth that this notice affects important legal rights and should be translated  
111 immediately in language understandable by a recipient with a least sophisticated consumer that  
112 the treasurer intends to sell the tax title to the homeowner's property and provides clear notice  
113 that the non-payment of property taxes can result in the loss of the property and that the property  
114 owner may be eligible for exemptions, abatements and tax deferrals and other assistance and  
115 should contact the collector of taxes office together with the telephone number, email address, if  
116 available, and internet address for further information.

117           The instrument of assignment shall be in a form approved by the commissioner and shall  
118 be recorded within 60 days from its date and if so recorded shall provide a rebuttable  
119 presumption as to all facts essential to its validity. The instrument of assignment shall, for each  
120 parcel assigned thereunder, state the amount for which the tax title on the parcel could have been  
121 redeemed on the date of the assignment, separately stating for each parcel the principal amount  
122 and the total interest accrued until the date of assignment. The principal amount shall be the sum  
123 of the amounts for which the parcel was taken and amounts subsequently certified under section  
124 61 and costs of service if applicable.

125           Except as hereinafter otherwise provided, all provisions of law applicable in cases where  
126 the original purchaser at a tax sale (“tax purchaser”) is another than the city or town shall  
127 thereafter apply in the case of such an assignment, as if the assignee had been a purchaser for the  
128 original sum at the original sale or at a sale made at the time of the taking and had paid to the city  
129 or town the subsequent taxes and charges included in the sum paid for the assignment. Any  
130 extension of the time within which foreclosure proceedings may not be instituted granted by a  
131 municipality’s treasurer prior to assignment shall be included in the language of sale and be  
132 binding upon the assignee. If the land is not redeemed within 1 year, then the tax purchaser shall  
133 publish a notice of auction of the land in each of 3 successive weeks, the first publication of  
134 which shall be not less than 21 days before the day of sale, in a newspaper published in the city  
135 or town where the land lies or in a newspaper with general circulation in the city or town where  
136 the land lies and notice of the sale has been sent by registered mail to the owner or owners of  
137 record. If the tax purchaser sells the land at auction, the balance of any proceeds above and  
138 beyond reasonable expenses as approved by the land court shall be divided as follows: a third to  
139 the tax purchaser up to fifty thousand dollars (\$50,000), the rest equally divided between the



140 owner and the municipality that sold the tax title with a detailed accounting of these expenses  
141 within 60 days of such sale. If the land is redeemed, the foreclosing entity shall take whatever  
142 action is necessary to vacate and rescind the foreclosure in land court and record that the title has  
143 been redeemed by filing a document at the county registry of deeds entitled "Satisfaction of Tax  
144 Title Liability".

145 SECTION 8. Section 53 of said chapter 60, as so appearing, is hereby amended by  
146 inserting after the word "published," , in line 4, inclusive, the following words:- where the land is  
147 residential such notice shall be served in the manner required by law for the service of subpoenas  
148 on witnesses in civil cases and published.

149 SECTION 9. Said section 53 of said chapter 60, as so appearing, is hereby further  
150 amended by adding the following paragraph:-

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

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

157 (ii)That the tax title may be sold to a third party;

158 (iii)Why the property was taken and that the owner may redeem the property and the date  
159 when the redemption period expires;

160 (iv)The components of the amount required to redeem the property and the procedure for  
161 redemption;

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

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

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

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

171 SECTION 10. Said chapter 60 is hereby further amended by striking out subsection 62A  
172 and inserting in place thereof the following section:-

173 Section 62A. Municipalities may by bylaw or ordinance authorize payment agreements  
174 between the treasurer and persons entitled to redeem parcels in tax title. Such agreements shall  
175 be for a maximum term of no more than 10 years and may waive not more than 50 per cent of  
176 the interest that has accrued on the amount of the tax title account unless someone aged 60 or  
177 older or whose primary source of income is disability benefits is on the deed for the parcel and  
178 the parcel is his or her primary residence, in which case 75 percent of the interest that has  
179 accrued on the amount of the tax title may be waived, subject to such lower limit as the  
180 ordinance or bylaw may specify. An ordinance or bylaw under this section shall provide for such

181 agreements and waivers uniformly for classes of tax titles defined in the ordinance or bylaw. Any  
182 such agreement must require a minimum payment at the inception of the agreement of 25 percent  
183 of the amount needed to redeem the parcel unless someone aged 60 or older or whose primary  
184 source of income is disability benefits is on the deed for the parcel and the parcel is his or her  
185 primary residence, in which case the minimum payment shall be no less than 10 percent of the  
186 amount needed to redeem the parcel of the interest that has accrued on the amount of the tax title  
187 may be waived, subject to such lower limit as the ordinance or bylaw may specify. During the  
188 term of the agreement the treasurer may not bring an action to foreclose the tax title unless  
189 payments are not made in accordance with the schedule set out in the agreement or timely  
190 payments are not made on other amounts due to the municipality that are a lien on the same  
191 parcel.

192 SECTION 11. Said chapter 60 is hereby further amended by striking out section 64 and  
193 inserting in place thereof the following section:-

194 Section 64. The title conveyed by a tax collector's deed or by a taking of land for taxes  
195 shall be absolute after foreclosure of the right of redemption by decree of the land court as  
196 provided in this chapter. The land court shall have exclusive jurisdiction of the foreclosure of all  
197 rights of redemption from titles conveyed by a tax collector's deed or a taking of land for taxes,  
198 in a proceeding provided for in sections 65 to 75, inclusive. Except if the title was conveyed to a  
199 third party pursuant to section 2C or 52 then the title may be redeemed within 1 year of the  
200 foreclosure.

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