SENATE DOCKET, NO. 1486 FILED ON: 1/16/2025

SENATE . . . . . No. 1929

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 to update certain changes to property tax collection laws.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael D. Brady	*Second Plymouth and Norfolk*

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SENATE . . . . . No. 1929

By Mr. Brady, a petition (accompanied by bill, Senate, No. 1929) of Michael D. Brady for legislation to update certain changes to property tax collection laws. Revenue.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act to update certain changes to property tax collection laws.

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

SECTION 1. Paragraph (9) of Section 2C of chapter 60 of the general laws, as amended by chapter 140 of the Acts of 2024, shall be further amended by deleting the following words in the fourth sentence: “Where the land is Class one, residential property, as defined in section 2A of chapter 59, such notice shall:” and replacing them with the words “Such notice shall:” and further by deleting from subclause (ii) of the fourth sentence the words: “Class one, residential”.

SECTION 2. Section 15 of chapter 60 of the general laws shall be amended by adding the following at the end of clause 5: “plus the cost of services of an officer posting such notices on properties;”

SECTION 3. Section 16 of chapter 60 of the general laws, as amended by chapter 140 of the Acts of 2024, shall be further amended by deleting the words: “that if the land is Class one, residential property, as defined in section 2A of chapter 59,”.

SECTION 4. Section 52 of chapter 60 of the general laws, as amended by chapter 140 of the Acts of 2024, shall be further amended by deleting the words: “Where the land is Class one, residential property, as defined in section 2A of chapter 59, such notice shall:” and replacing them with the words “Such notice shall:” and further by deleting from subclause (ii) the words: “Class one, residential”.

SECTION 5. Section 53 of chapter 60 of the general laws, as amended by chapter 140 of the Acts of 2024, shall be further amended by deleting the words: “where the land is Class one, residential property, as defined in section 2A of chapter 59, such notice shall:” and replacing them with the words “such notice shall:” and further amended by deleting from subclause (ii) the words: “Class one, residential” and further amended by deleting the words “provided further, that for any properties not Class one, residential the notice may be served in the manner required by law for the service of subpoenas on witnesses in civil cases or may be published,”.

SECTION 6. Section 53 of chapter 60 of the general laws, as amended by chapter 140 of the Acts of 2024, shall be further amended by deleting from the fourth paragraph the words: “Where the land is Class one, residential property, as defined in section 2A of chapter 59, all” and replacing them with the word “All”.

SECTION 7. Section 62 of Chapter 60 of the general laws as amended by chapter 140 of the Acts of 2024 shall be amended by striking out the figure 8 and replacing it with the following:- “16 per cent for land taken or sold prior to November 1, 2024, and at 8 per cent for land taken or sold on or after November 1, 2024,”

SECTION 8. Paragraph (a) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024 shall be amended by deleting the first paragraph in its entirety and replacing it with the following:-

"(a) This section shall apply to the sale or retention of property by a municipality or a purchaser of tax receivables following a final judgment of the land court foreclosing the right of redemption under this chapter. Not more than 180 days after the of entry of judgment foreclosing the right of redemption becomes final, with either no appeal having been taken within the applicable time limit or any appeal taken having resulted in the

entry of judgment pursuant to the rescript of the supreme judicial court or appeals court, the judgment holder shall proceed to sell the property in the manner provided in this section and Section 77B of this chapter, unless, in cases where the judgment holder is a municipality the chief executive authority thereof makes a written determination, within 120 days, that the property will be retained for municipal use. The judgment holder shall notify the former owners of the property and all others known to hold the right of redemption in the property at the time judgment is entered, by certified mail, to their last known address or place of business, of: (i) the judgment holder's election; and (ii) the rights and procedures for claiming excess equity set forth in this section.

SECTION 9. Paragraph (b)(1) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024, shall be amended by deleting the following words: "or a purchaser of tax receivables".

SECTION 10. Paragraph (c)(1) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024, shall be deleted in its entirety.

SECTION 11. Paragraph (c)(2) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024, shall be deleted in its entirety and replaced with the following:-

"(c)(1) A municipality or a purchaser of tax receivables that sells the property under subsection (a) shall, not later than 120 days after the final judgment of the land court: (i) conduct an appraisal consistent with the appraisal requirements of subsection (b); (ii) auction the property with an auctioneer licensed in the commonwealth in accordance with the provisions of section 77B of chapter 60 of the general laws and this paragraph; (iii) accept bids that are not less than 2/3 of the appraised value of the property consistent with the said appraisal requirements; and (iii) not accept bids by individuals that hold elected or appointed office in the municipality in which the property is located, are employed by the municipality in which the property is located, or are the purchaser of tax receivables of the property being sold, or an owner, officer or employee of the purchaser of tax receivables of the property being sold.

SECTION 12. Paragraph (c)(3) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024, shall be relabeled paragraph (c)(2) and the words in such paragraph that read "paragraph (2)" shall be deleted and replaced with "paragraph (1)".

SECTION 13. Paragraph (d)(1) of Section 64A of chapter 60 of the general laws, as inserted by chapter 140 of the Acts of 2024, shall be deleted in its entirety and replaced with the following:-

"(d)(1) Upon a sale of a property or an appraisal of property where the judgment holder has elected to retain possession, the judgment holder shall prepare a written itemized accounting setting forth the disposition of the proceeds arising from the sale or a report of the appraisal

including, but not limited to, the sale price, legal fees, marketing fees, auctioneer fees, advertising costs, appraisal fees and any excess equity due to any parties entitled to claim excess equity. The written itemized accounting shall be mailed, by certified mail, to any parties entitled to claim excess equity, to their last known

address or place of business, not more than 30 days after the sale of the property or receipt of the appraisal of the property if such property is retained. The judgment holder shall pay the former owners or their personal representative the amount of the excess equity as set forth in the itemized accounting within 60 days following the sale or retention of the property. Where there are multiple former owners or multiple personal representatives or a combination thereof, the judgment holder shall pay excess equity to each former owner or personal representative in proportion to their ownership interest in the property at the time of the judgment of foreclosure. Liability of the judgment holder to pay excess equity to any other claimants ceases upon disbursement of the excess equity amount paid to the former owner or their personal representative under the terms of this paragraph.”

SECTION 14. Paragraph (d)(3) of Section 64A of chapter 60 of the general laws, as inserted by Chapter 140 of the Acts of 2024, shall be amended by deleting the words “submit a claim at the local collector’s office" at the end of the second sentence and replacing those words with the following: “submit a claim at the local treasurer’s office”.

SECTION 15. This act shall take effect on July 1, 2025.