
TAX ENFORCEMENT

PURPOSE

To provide guidance for equitably enforcing tax obligations and set expectations for both the Town and taxpayers, this policy clearly defines when and how the Town will transition unpaid property taxes from tax title through to foreclosure. It is in the best interest of the Town and its residents that property taxes be paid when due. The Town budget is set in anticipation of the collection of taxes, and taxes not paid by some property owners shift the cost burden onto others. The Town recognizes that individuals may go through periods of financial difficulty, but any taxpayer who becomes delinquent will be encouraged to find alternative resources to pay in full as soon as possible.

APPLICABILITY

This policy applies to the job duties of the Treasurer/Collector, including the responsibility for managing services contracted through the Town's tax title attorney. Tax enforcement applies to all Town real estate property owners whose taxes or water charges are not exempt.

POLICY

The Town intends to timely pursue all legal methods to collect taxes from delinquent property owners with the aim of achieving a target 99 percent property tax collection rate by fiscal year-end. A tax delinquency is defined as a bill outstanding at least one year and one day after its final due date, and represents a lien on property that remains in effect until all taxes, interest, and fees have been paid in full. The costs of all collection methods are added to the real estate tax bill and property lien. The Town will also periodically pursue foreclosure actions with the primary objective of receiving all monies due.

A. Demands

Final taxes are typically due to be paid as of May 1 each year (the due date for the fourth quarter tax bill). No later than one month after the due date has passed, the Treasurer/Collector will issue demand notices to all assessed property owners who have failed to pay in full, have not been granted full exemptions, and do not have automatic stays on record due to bankruptcy filings.

B. Tax Taking

The Treasurer/Collector will begin the tax taking process within approximately 60 days of the demand notice. State law allows the process to begin as soon as 15 days after the demand, but, in every case, the Treasurer/Collector must complete the takings within 3½ years from the end of the fiscal year for which the taxes were assessed to secure, or perfect, the tax liens. The Treasurer/Collector shall carefully document the taking process to preserve the Town's rights for future actions.

The Treasurer/Collector will send at least one enforcement letter to delinquent property owners as a courtesy to potentially avoid a tax taking advertisement. If this does not result in full remittance by September 1, the Treasurer/Collector will thereafter publish a Notice of Tax Taking in a local newspaper and post the notice in two or more convenient, public places. The Town customarily publishes in the Newburyport Daily News. In addition, the Treasurer/Collector posts notices on bulletin boards at the town offices (1910 Building) and the library. After the publication of the Notice of Tax Taking, only cash, certified check, or cashier's check are acceptable forms of payment.

Within 60 days of the tax taking announcements, the Treasurer/Collector shall prepare an Instrument of Taking form for each delinquent property and record it at the Registry of Deeds, the recording of which perfects the tax lien. After receiving the recorded Instruments back from the Registry, the Treasurer/Collector will notify the affected property owners of the liens by sending each of them a letter and a photocopy of the Instrument. The Treasurer/Collector will provide copies of the List of Recorded Takings to the Town Accountant/Business Manager and Town Manager.

C. Subsequent Taxes

After the demand bill and before June 15 each year, the Treasurer/Collector will certify all unpaid taxes and charges for parcels of real estate taken into tax title for nonpayment of taxes in prior years and not yet redeemed and put them in a Subsequent Tax Takings report. The Treasurer/Collector will provide copies of the report to the Town Accountant/Business Manager and Town Manager and retain one on file.

D. Interest, Fees, and License Revocation

All delinquent taxpayers are subject to charges, which the Treasurer/Collector will add to their accounts. These include interest accrued to the date of tax taking, advertising fees, certified mailing costs, legal fees, and all recording fees.

The Treasurer/Collector will create a list of all the individuals who are delinquent in paying taxes or other charges to the Town departments, boards, and committees that issue licenses and permits in accordance with the Town bylaws. These authorities will review the list to deny, suspend, or revoke delinquent taxpayers' licenses and permits.

E. Tax Title Payment Agreements

Pursuant to [M.G.L. c. 60, § 62A](#), the Treasurer/Collector will pursue and establish payment agreements for parcels in tax title to allow delinquent taxpayers to pay off their tax liens over time. The Treasurer/Collector will actively monitor compliance with all such agreements, which will have the following features in common:

- Signed agreement between the Treasurer/Collector and taxpayer
- Upfront initial payment of at least 25 percent of the full balance owed paid with certified check, money order, or cash.
- Specific amount to be paid each month
- Non-payment of current year taxes by May 1st each year will result in default of the payment agreement
- Agreement term not exceeding five years
- Defaulting on the agreement may immediately trigger foreclosure action by the Town
- Confirmation that, as of the date a payment agreement is entered, any and all water bills are paid in full
- Confirmation that, as of the date a payment agreement is entered, no payments are due on outstanding loan amounts issued through the Elliot Fund

For taxpayers that fully comply with their payment agreements, the Treasurer/Collector will waive 50 percent of the interest accrued on their tax title accounts.

F. Redemption or Foreclosure

The primary policy goal of the Town's foreclosure process is to receive the outstanding amounts owed. At least once every year, the Treasurer/Collector will review all tax title properties that are older than 180 days and do not have payment agreements or bankruptcy recordings. From these, the Treasurer/Collector will identify all properties of significant value to process for potential foreclosure in Land Court. To do this, the Treasurer/Collector will thoroughly verify the properties' enforcement histories before referring them to the tax title attorney, beginning with those having the largest dollar value of taxes owed.

As manager of the service contract, the Treasurer/Collector will ensure the tax title attorney complies with the objectives laid out in this policy section. The Treasurer/Collector will work with the tax title attorney to prepare parcels in tax title status for foreclosure, beginning by providing each Instrument of Taking. The tax title attorney will research the tax title properties and also mail new collection enforcement letters to the taxpayers telling them of the importance of redeeming the property and warning of potential foreclosure action.

If a taxpayer or other party pays the outstanding amount on a tax title property, the Treasurer/Collector will prepare an Instrument of Redemption and file it at the Registry of Deeds, which removes the lien. Redemption can only be done prior to the property being foreclosed. If the obligation remains unpaid, the tax title attorney will proceed with foreclosure action in Land Court, possibly resulting in auctioning of the property.

In addition to Land Court foreclosure referrals, the Treasurer/Collector is responsible for completing foreclosures on any properties below the "Land of Low Value" threshold, which is annually updated each spring by the Division of Local Services (DLS).

REFERENCES

[M.G.L. c. 60, § 6](#)

[M.G.L. c. 60, § 16](#)

[M.G.L. c. 60, § 50](#)

[M.G.L. c. 60, § 53](#)

[M.G.L. c. 60, § 54](#)

[M.G.L. c. 40, § 57](#)

[M.G.L. c. 60, § 61](#)

[M.G.L. c. 60, § 62](#)

[M.G.L. c. 60, § 62A](#)

[M.G.L. c. 60, § 63](#)

[M.G.L. c. 60, § 76](#)

[M.G.L. c. 60, § 77](#)

[M.G.L. c. 60, § 79](#)

[M.G.L. c. 60, § 80](#)

West Newbury bylaws Section XIII Local License or Permit Affected By Non-Payment of Local Taxes

DLS Best Practice: [Enforcing Collections](#)

DLS Informational Guideline Releases 05-208: [Payment Agreements and Tax Receivable Assignments](#) and [Land of Low Value Foreclosure Valuation Limit](#) updated annually

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#) and [Collector's Manual](#)

EFFECTIVE DATE This policy was adopted on February 1, 2021 and amended on March 29, 2021.