

What is a Tax Taking?

A tax taking is the process by which the statutory lien is perfected on a parcel of land due to non-payment of taxes.

The homeowner still owns their property!

They continue to live there and have all rights to the property.

This is a serious matter, and a tax taking is the first step toward foreclosure.
BUT foreclosure is not imminent

There is still time to pay the taxes. There is still time to review options, such as loans or payment plans or selling the property.

MGL Chapter 60, Sections 37 & 37A

A statutory lien arises when the taxes are assessed, and expires 3.5yrs after the end of the fiscal year, or when the property is conveyed whichever is later. A tax taking perfects the lien indefinitely until the taxes are paid or the lien is foreclosed in Land Court.

“WHAT HAPPENS IF MY TAXES AREN’T PAID BY May 1st?”

Demand issued after the final RE Tax due date of that Fiscal Year.

Demands are due 14 days later; Demand Fee \$5-\$30, varies by city/town

Tax Taking notice published in newspaper
and two public places 14 days before taking

Optional: Mail additional notices to taxpayer before the notices are published in the paper

Tax + Interest + Collectors Fees = Tax Title Principal

The tax title account is created and interest rate increases to 16%. Add cost of preparing and recording Certificate of Redemption to the account.

MGL Chapter 60

“How and when Will I be notified?”

Instruments of Taking must be filed at the Registry of Deeds within 60 days of taking

Taxpayers must be notified after the taking has occurred.
Send a tax title account statement with letter.

Instruments of Taking must include specific information to identify the assessed owner.

“After the taking, how do I clear the lien (i.e., redeem the property)?”

Full payment of the tax title account balance (including all fees) must be paid to redeem the property.

Non-owner can request they be named in Certificate of Redemption if they pay the balance due.

Partial Payments are accepted. Payments are applied first to interest, then liens, then fees, then tax.