

SENATE No. 1598

By Mr. Backman, a petition (accompanied by bill, Senate, No. 1598) of Jack H. Backman and John A. Businger for legislation to provide for payment of real estate taxes by owners of real estate directly to cities and towns and payment of such funds by banks and mortgagees to cities and towns. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT TO PROVIDE FOR PAYMENT OF REAL ESTATE TAXES BY OWNERS OF REAL ESTATE DIRECTLY TO CITIES AND TOWNS AND PAYMENT OF SUCH FUNDS BY BANKS AND MORTGAGEES TO CITIES AND TOWNS.

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. Within sixty days of the effective date of this
2 act, all banks, mortgagees and others holding anticipatory pay-
3 ments of real estate taxes from owners of real estate in the
4 commonwealth shall forward said payments to the respec-
5 tive city or town together with the name and address of the
6 owner of the real estate upon which the anticipatory real
7 estate tax payments were made together with a sufficient
8 description of the real estate. Such banks, mortgagees and
9 others shall at the same time notify the owners of the real
10 estate of the payments made to the commonwealth on their
11 behalf, stating the dates said payments were made. Com-
12 mencing November 1, 1981 a bank, mortgagee and others re-
13 ceiving any anticipatory payments of real estate taxes shall
14 within one week of receipt thereof, forward the same to the
15 respective city or town.

1 SECTION 2. Chapter 59 of the General Laws is hereby
2 amended by inserting after Section 57 the following sec-
3 tion: —

4 *Section 57A.* Following receipt of his real estate tax bill,
5 each taxpayer shall, commencing with the first day of No-
6 vember, 1981, commence making equal monthly payments to

7 the billing city or town collector on the following year's real
8 estate taxes based on the billing received for the current year.
9 Upon receipt of the next year's tax bill, each taxpayer shall
10 increase or decrease his monthly payments according to
11 whether there is an increase or decrease in his total real
12 estate taxes, making full payment of his current real estate
13 tax bill, in any event, by November first of that year. If the
14 taxpayer had made anticipatory real estate tax payments to
15 a bank, mortgagee or another, he shall ascertain the amounts
16 so paid, and pay the balance owing within the required time.
17 Commencing on November 1, 1981, any payment of taxes
18 due on the first day of any month not paid on the due date
19 shall bear interest at the rate of one per cent per month.
20 The mortgage holder of record of any taxpayer who is de-
21 linquent in making any payment of taxes beyond 30 days shall
22 be notified of such failure to pay the taxes then due, provided
23 that the mortgage holder of record has previously notified the
24 city or town of such mortgage holding.