



FREQUENTLY ASKED QUESTIONS (FAQs)
“AN ACT TO ADDRESS CHALLENGES FACED BY MUNICIPALITIES
AND STATE AUTHORITIES RESULTING FROM COVID-19”
Sections 10 AND 11 of Chapter 53 of the Acts of 2020

Frequently asked questions (FAQs) published by the Division of Local Services (DLS) within the Department of Revenue provide general information about Massachusetts municipal tax and finance laws and DLS policies and procedures in effect when published. They do not answer all questions or address complex issues about their topics. FAQs are not public written statements of the Department. They are informational only as described in [830 CMR 62C.3.1\(9\)\(c\)](#), and do not supersede, alter or otherwise change any Massachusetts General Law, Department public written statement or other source of law.

These FAQs provide answers to questions of municipal officials regarding sections 10 and 11 of “An Act To Address Challenges Faced by Municipalities and State Authorities Resulting from COVID-19”, [c. 53 of the Acts of 2020](#), (the Act) signed by Governor Baker on April 3, 2020.

FAQs Regarding Extension of Due Date of Property Tax Bills - Section 10

SECTION 10. (a) Notwithstanding any general or special law to the contrary, as a result of the outbreak of the 2019 novel coronavirus, also known as COVID-19, and the governor’s March 10, 2020 declaration of a state of emergency, for fiscal year 2020, the chief executive officer of a city or town, as defined in clause Fifth B of [section 7 of chapter 4 of the General Laws](#), or a district may extend:

(i) for the purposes of the first paragraph of [section 57 of chapter 59 of the General Laws](#), the date May 1 to a date not later than June 1, 2020;

(ii) for the purposes of the seventh and eighth paragraphs and the tenth and eleventh paragraphs of [section 57C of said chapter 59](#), the date May 1 to a date not later than June 1, 2020;

(iii) for the purposes of the seventh paragraph of said [section 57C of said chapter 59](#), the date April 1 to a date not later than June 1, 2020; and

(iv) for the purposes of the third paragraph of said [section 59 of said chapter 59](#), the date April 1 to a date not later than June 1, 2020.

(b) Notwithstanding said sections [57](#), [57C](#) and [59](#) of said [chapter 59](#) or any other general or special law to the contrary, if municipal offices are closed as a result of the outbreak of the 2019 novel coronavirus, also known as COVID-19, or the governor’s March 10, 2020 declaration of a state of emergency on the date that a tax payment, abatement or exemption application is due, the due dates shall not be extended except pursuant to this section.

- 1. We understand that sections 10(a)(i)-(iii) permit the Chief Executive Officer (CEO) of a city, town or district to extend the due date of property tax bills under [G.L. c. 59, §§ 57](#) and [57C](#) from either April 1 or May 1, as applicable, to a**

date no later than June 1. Can the CEO choose which property tax bills or which property taxpayers are eligible for this extension? For example, can the CEO extend the due dates for real property tax bills, but not personal property tax bills, or extend the tax bills of senior real property taxpayers only?

No – The wording of sections 10(a)(i)-(iii) allows only a change of the due date contained within the referenced paragraphs of sections [57](#) or [57C](#) of [chapter 59](#) of the general laws. No other authority is granted to CEOs. The new due date, if this option is exercised, applies to all property tax bills and all property taxpayers.

2. Do sections 10(i)-(iii) allow the CEO to choose a due date that is earlier than June 1, 2020?

Yes – the CEO may choose to extend the due date to a date not later than June 1, 2020.

3. We have a city form of government, but no mayor. Who is the CEO with authority to exercise the local options contained in sections 10 and 11 of Chapter 53?

A CEO is defined to “include the mayor in a city and the board of selectmen in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter.” [G.L. c. 4, § 7, Clause Fifth B](#). Some communities have a town council and town meeting form of government and their charters provide that the town council is the CEO. Other communities have a city form of government, but no mayor (e.g., Barnstable, Cambridge, Watertown). In these communities, local charters will ordinarily determine the CEO. If there is any question regarding the identity of the CEO in a community, local counsel should be consulted.

4. Does section 10 allow the CEO to extend the due date of motor vehicle excise bills?

No – the provisions of sections 10(i)-(iii) apply only to property tax bills issued under [c. 59](#). Motor vehicle excise bills are issued under [c. 60A](#).

FAQs Regarding Waiver of Interest and Other Penalty - Section 11

SECTION 11. Notwithstanding [section 57](#), [57A](#) and [57C](#) of [chapter 59 of the General Laws](#), [section 2 of chapter 60A of the General Laws](#) or any other general or special law to the contrary, as a result of the outbreak of the 2019 novel coronavirus, also known as COVID-19, or the governor’s March 10, 2020 declaration of a state of emergency, the chief executive officer of a city or town, as defined in clause Fifth B of [section 7 of chapter 4 of](#)

[the General Laws](#), or the prudential committee or commissioners of a district may waive the payment of interest and other penalty in the event of late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 and made after its respective due date but before June 30, 2020. Notwithstanding the forgoing, a city or town shall not terminate an essential service of a resident, including, but not limited to, water, trash collection or electricity, for nonpayment of taxes or fees with a due date on or after March 10, 2020, made after its respective due date but before June 30, 2020, if the nonpayment resulted from a demonstrated inability to pay due to circumstances related to the outbreak of COVID-19 or the governor's March 10, 2020 declaration of a state of emergency; provided that the inability to pay shall include a demonstrated financial hardship of a resident, which may include, but not be limited to, loss of employment, serious illness of someone within the home or death of someone within the home.

5. To what bills/charges other than the property tax does the option to waive the payment of interest and other penalty apply? Does it apply to water and sewer bills not added to the tax bill or other local utility bills or charges?

The first sentence of section 11 contains the local option to waive payment of interest and other penalty and it applies to "any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 and made after its respective due date but before June 30, 2020." (Emphasis added.)

This local option applies to the motor vehicle excise and the property tax. In addition, it applies to "betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax." This phrase is found in the 12th paragraph of [G.L. c. 59, § 57C. Section 57C](#) provides that if the "tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to such tax" is not timely paid, it shall accrue interest at the rate of 14% from the due date. The use by the legislature of this same phrase in section 11 indicates its intent that the section 11 waiver apply only to these charges (betterment assessment or apportionment thereof, water rate or annual sewer use or other charge) after they are added to the property tax bill.

For each of the above charges, interest is imposed by statute and a city/town would have no authority to waive interest without legislation. For motor vehicle excises, [G.L. c. 60A, § 2](#) requires 12% interest if unpaid within 30 days. For unpaid property taxes, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax, [G.L. c. 59, §§ 57](#) and [57C](#) require 14% interest. The section 11 option allows a city/town to waive the statutory interest for these charges.

A city or town may also waive its locally imposed interest or penalty on local fees or charges; however, the waiver is not done through section 11. Legislative authority is ordinarily not required to adjust or waive locally imposed due dates or interest charges. If a city or town wishes to pursue the adjustment of locally imposed due dates or interest charges on its local water, trash or other charges (not already

added to a property tax bill), it should consult its local counsel for advice on the procedure.

6. Does the city/town need to find a “demonstrated inability to pay ...” to adopt the waiver of interest and other penalty contained in the first sentence of section 11?

No – As a result of the legislative history and the wording of section 11, it is our opinion that the “demonstrated inability to pay” applies only to the termination of essential services provision contained in the second sentence of section 11. It does not apply to the first sentence of section 11 which contains the waiver of interest and other penalty option.

7. Can a city/town exercise the option in the first sentence of section 11 to waive interest/penalties and choose the bills to which it will apply? For example, can a city/town choose not to adopt the local option interest waiver for motor vehicle excise bills, but exercise it for the rest of the listed charges – “tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax”?

Yes - We think that the use of the word “any” in the legislation permits a city/town to choose from among the listed bills.

8. If a city/town exercises the waiver option under section 11, can a city/town exclude certain categories of taxpayers from the waiver? For example, can it exclude personal property taxpayers, or allow the option only for elderly taxpayers?

It is unclear that the legislation allows this. As a result, we advise that local counsel be consulted if considering this approach.

9. If a city/town exercises the option to waive interest, what is the last day for a taxpayer to pay the bill and qualify for the waiver of interest?

June 29, 2020. The relevant language in the legislation is “*made after its respective due date but before June 30, 2020.*” If the bill is paid on June 30, 2020 or after, it is paid too late for the waiver to apply. Interest will run from the date the bill is due to June 30, 2020 (or the date after June 30, 2020 that it is paid). For example, if a property tax bill’s due date was extended to June 1, 2020 and it is paid on June 30, 2020, interest will run from the due date of June 1, 2020 to June 30, 2020. If the bill is paid July 15, 2020, interest will run from June 1, 2020 to July 15, 2020. If, however, the bill is paid on June 29, 2020, interest will be waived.

- 10. If a city/town exercises the option to waive interest and a property tax bill is paid after its due date, but on June 29 so that the interest waiver is applied, what is the impact on Appellate Tax Board (ATB) jurisdiction to hear the taxpayer's appeal of the denial of a property tax abatement under [G.L. c. 59, § 64](#)?**

Under [G.L. c. 59, § 64](#), to pursue an appeal before the ATB, a taxpayer usually must have paid all or part of the tax before filing the appeal. For personal property tax appeals, one-half of the personal property tax must be paid. For real property tax appeals, when the tax is \$5,000 or less, no payment is required. For a real property tax over \$5,000, all preliminary and actual installments must have been paid on or before their due dates, i.e., without incurring interest. The question is whether interest is "incurred" for purposes of [G.L. c. 59, § 64](#) when a taxpayer pays his tax bill late but before June 30 and the interest is waived under section 11? In other words, will the payment of the tax after the due date but before June 30 prevent the ATB from having jurisdiction over the taxpayer's appeal? This is a question for decision by the ATB, subject to further appeal to the courts.