

MASSACHUSETTS COLLECTORS & TREASURERS ASSOCIATION

Review of New Legislation



66th Annual Cape Cod Conference
Resort & Conference Center at Hyannis
June 17, 2015

2014 Legislation



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **Amends 58:8A; 59:5, 59:5C, 59:5N, 59:59 & 60A:1**
- **Adds 59:5C^{1/2}**
- **Repeals St. 1986, 73:4**
- **Enacted April 3, 2014**
- **Effective July 3, 2014 for**
- **CY2015 (MVE)**
- **FY2016 (Property Tax)**



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **§§9 - 13 – Codify Paraplegic Vet Exemptions, applies to FY15-plus**
- **Adds new Cl. 22F to 59:5 to codify full property tax exemption for the domicile of a paraplegic veteran**
- **Previously done by granting Cl. 22 and abating balance under 58:8**



VALOR Act II - St. 2014, c. 62, §§9-17 & 27

- **Paraplegic vet exemption will apply even if spouse is sole owner or survives the vet**
- **Retains funding of first \$175 of exemption by municipality, remainder by commonwealth**



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **§§14 & 27 – starting FY15, adds new §5C¹/₂ to codify the optional additional exemption added in 1986**
- **Previously applied to personal exemptions in existence in 1986 when originally enacted**
- **Now updated to include more recent personal exemption provisions**



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **Optional additional exemptions previously required annual vote to authorize additional amount up to 100%**
- **Now will allow single vote and exemption amount to remain in effect from year to year**
- **Unless a subsequent vote eliminates the additional exemption or changes the additional amount**



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **§15 amends 59:5N to allow spouse of disabled vet or surviving spouse to qualify for veterans work-off program**
- **Work-off program otherwise modeled on the senior work-off program**
- **Provides productive work program for veteran or substitute to reduce property taxes by abatement**



VALOR Act II -

St. 2014, c. 62, §§9-17 & 27

- **§17 amends 60A:1 & modifies local acceptance provision giving a motor vehicle excise exemption to active Massachusetts service-persons, including National Guard, stationed out of country**
- **Now includes those persons stationed out of the Commonwealth**
- **Property tax provisions begin FY2016**
- **MVE provision effective 1/1/2015**



VALOR Act II - St. 2014, c. 62, §35

- **Veteran Exemption Study – requires MA DVS to study the creation of a sliding scale for veterans exemptions**
- **Based upon a % of disability rating of the USDVA**
- **DVS to consult with DOR and report to state legislature**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§ 3 – Local Aid Advances**
- **Authorizes State Treasurer to advance payments of FY2015 local aid distributions to municipalities, RSD's or Ag and Tech Schools that demonstrate an emergency cash shortfall, as certified by DOR**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§ 61-66 – Uniform Procurement Act**
- **Increases from \$25,000 to \$35,000 the thresholds found in G.L. c. 30B, §§ 4,5, 6, 6A, 7 and 16 regarding contracts for goods and supplies, or real estate acquisitions or dispositions that require competitive procurement**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§ 73 – Group health insurance coverage for surviving spouses and dependents of public safety personnel**
- **Adds local acceptance provision § 9C^{1/2} to G.L. c. 32B, allowing municipalities and districts to continue health costs after death of public safety employee**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§§ 74 and 75 – OPEB Trust Fund**
- **Amends G.L. c. 32B, § 20**
- **If accepted, allows c/t's to set up OPEB Trust Fund, by replacing reference to Health Care Security Trust with the State Retiree Benefits Trust Fund, to manage and invest the OPEB Fund**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§ 83 – Municipal Collector**
- **Amends G.L. c. 41, § 38A, which allows a municipality to broaden the Tax Collector's responsibilities**
- **To include collection of non-tax accounts, such as fees and charges due the municipality**

FY2015 STATE BUDGET

St. 2014, c. 165

- **§§ 91-94 Motor Vehicle Excise Exemptions for Individuals**
- **Begins w/ MVE years on/after 1/1/2015**
- **Extends MVE exemption that veterans, disabled vets and non-veterans, former POW's, and survivors receive for car ownership to leased vehicles**

DRINKING WATER AND WASTEWATER INFRASTRUCTURE

St. 2014, c. 259

- **§ 23 – Eligibility for Loan Assistance**
- **§ 26 – Water Infrastructure Fund**
- **Adds a new local acceptance statute, allowing municipalities to impose an infrastructure surcharge – up to 3% - of the RE tax for municipal drinking, wastewater, stormwater investments**

DRINKING WATER AND WASTEWATER INFRASTRUCTURE

St. 2014, c. 259

- **§ 26 – Water Infrastructure Fund**
- **Assessed and billed like RE taxes – with applicable personal exemptions**
- **Surcharge collections are deposited into a separate fund – the Municipal Water Infrastructure Fund, interest remains w/ fund**

AN ACT PROMOTING ECONOMIC DEVELOPMENT ACROSS MA

St. 2014, c. 287, eff. 8/13/14

- **§§ 9-25 and 37**
- **Economic Development Exemptions**
- **Amends G.L. c. 23A, §§ 3A-3F and c. 40, § 59, which relates to state tax credits and local tax exemptions available to economic development businesses, per EDIP**

AN ACT PROMOTING ECONOMIC DEVELOPMENT ACROSS MA

St. 2014, c. 287, eff. 8/13/14

- **As part of EDIP, municipalities may provide either:**
- **A tax increment financing (TIF) exemption under G.L. c. 40, § 59**
- **Or a special tax assessment (STA) under G.L. c. 23A, § 3F.**
- **Establishes a “job creation” category**

LEGAL LISTS OF INVESTMENTS

St. 2014, c. 343, eff. 1/7/15

- **Amends municipal finance laws regarding investments of trust funds and safe depositing of municipal and district funds**
- **Amends banking laws that authorize the Commissioner of Banks to establish a list of sound investments**

LEGAL LISTS OF INVESTMENTS

St. 2014, c. 343, eff. 1/7/15

- **§§ 1 and 2, City/Town/ District Investments - § 1 expands the trust companies, cooperative banks and savings banks into which local funds may be deposited**
- **Includes out-of-state entities w/main or branch office in MA, FDIC-insured**

LEGAL LISTS OF INVESTMENTS

St. 2014, c. 343, eff. 1/7/15

- **§ 2 amends G.L. c. 44, § 55A, which protects a municipal/district treasurer from liability if a listed bank in which funds are deposited should fail**
- **§ 2 also allows flexibility in the protected deposits for out-of-state banks w/ an office in MA, FDIC-insured**

LEGAL LISTS OF INVESTMENTS

St. 2014, c. 343, eff. 1/7/15

- **§ 3 Legal List of Investments**
- **Allows Commissioner of Banks (COB) to add to legal list of investments for cities/towns/districts**
- **Would allow COB to add new kinds of investments to the legal list and eliminate outdated ones**

CABLE FEE ACCOUNTING

St. 2014, c. 343, eff. 1/15/15

- **An Act Relative to Cable PEG Access Enterprise Fund**
- **Allows cities and towns to separately account for cable franchise fees collected from customers by cable companies and other cable-related \$ and paid to c/t's per cable agreement**

CABLE FEE ACCOUNTING

St. 2014, c. 343, eff. 1/15/15

- **Such monies are general fund revenue under G.L. c. 44, § 53**
- **§ 1 amends Enterprise Fund Statute, G.L. c. 44, § 53F¹/₂, to allow municipality that operates cable PEG programming to adopt an enterprise fund for accounting of franchise fees, other \$**

CABLE FEE ACCOUNTING

St. 2014, c. 343, eff. 1/15/15

- **§ 2 adds new local acceptance statute, G.L. c. 44, § 53F³/₄, that, if accepted, allows municipality to establish a special revenue fund to reserve the franchise fees and other cable \$ to support cable PEG programming run by non-profit, monitor compliance, prepare for license renewal**

TAX TITLE REVOLVING FUND

St. 2014, c. 390, eff. 12/16/14

- **An Act Establishing a Tax Title Collection Revolving Fund**
- **Adds new local acceptance statute, G.L. c. 60, § 15B, which if accepted, allows municipalities to establish one or more tax title revolving accounts for treasurers/ collectors**

TAX TITLE REVOLVING FUND

St. 2014, c. 390, eff. 12/16/14

- **Such tax title revolving funds can be established by bylaw, ordinance, or vote of annual town meeting, other legislative body**
- **Upon recommendation of Selectboard, Mayor, Manager or other CEO**

TAX TITLE REVOLVING FUND

St. 2014, c. 390, eff. 12/16/14

- **The funds will be credited with certain collection fees, charges and costs incurred by the Collector or Treasurer**
- **Upon redemption of tax titles and sales of real properties acquired through foreclosures of tax titles**

TAX TITLE REVOLVING FUND

St. 2014, c. 390, eff. 12/16/14

- **Monies in fund may then be spent, without appropriation, by:**
- **The Collector, to pay out-of-pocket expenses associated with making a tax taking; and**
- **The Treasurer, to pay tax title foreclosure out-of-pocket expenses**

TAX TITLE REVOLVING FUND

St. 2014, c. 390, eff. 12/16/14

- **The purpose is to assist Collectors and Treasurers who often lack adequate expense budgets:**
- **To secure the municipality's liens for delinquent RE tax receivables**
- **To foreclose tax titles after payment negotiations fail with taxpayer**

TOWN MEETINGS

St. 2014, c. 487, eff. 1/8/15

- **Adds G.L. c. 39, § 10A to allow moderators, in consult w/ public safety officials and Selectboard**
- **To recess and continue Town Meeting to new time, date, location**
- **Upon declaration of weather-related or other public safety emergency**

2015 LEGISLATION

St. 2015, c. 10, §§ 9-11

- **Blizzard of 2015 addition:**
- **§§ 9,10 amend G.L. c.59, §§ 57, 57C**
- **No interest due next day on RE or personal property taxes where due date falls on Sat., Sunday, holiday OR on a day where municipal office is closed for weather, emergency**

2015 LEGISLATION

St. 2015, c. 10, §§ 9-11

- **Blizzard of 2015 addition:**
- **§ 11 amends G.L. c.59, § 59**
- **Abatement filings are allowed next day where due date falls on Sat, Sunday or holiday OR on a day where municipal office is closed due to weather, emergency**

NOTEWORTHY 2015 APPELLATE CASES

- ***City of Somerville v. Commonwealth Employment Relations Board*, 470 Mass. 563 (2015) 2/3/15**
- ***Charlene Galenski v. Town of Erving*, 471 Mass. 305 (2015) 4/17/15**
- ***Philip Goduti v. City of Worcester*, 87 Mass. App. Ct 355 (2015) 5/3/15**