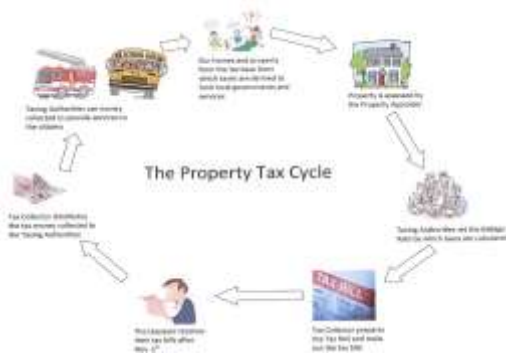


## TAX LIENING

# A.B.C.'S



## QUARTERLY BILLING OF TAXES

- Tax payments shall be due **July 1, October 1, January 2, and March 31** of each fiscal year to fund the optional fiscal year budget which is the basis upon which the tax rate shall be established by the Department of Revenue Administration.
- The collector shall mail all the bills for tax payments no later than **30 days before** their due dates.

## SEMI-ANNUAL COLLECTION OF TAXES

- A **partial payment** of the taxes assessed on April 1 in any tax year shall be computed by taking the prior year's assessed valuation times 1/2 of the previous year's tax rate.
- Committed by the selectmen with a **warrant** under their hands and seal directed to the collector of such town **no later than May 15.**
- Shall be **due** and payable on **July 1.**
- A payment of the remainder of the taxes assessed **April 1,** minus the payment due on July 1 of that year, shall be due and payable **December 1.**

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- **72:6.** All *Real estate*, whether improved or unimproved, shall be *taxed* except as otherwise provided.
- **80:86.** Real estate of every kind *levied upon under RSA 85* shall be subject to the real estate tax lien procedure, and the owner of such real estate shall have the right to redeem the real estate.



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## RIGHT TO TAX LIEN

- Except under the provisions of RSA 80:80, II-a, (transfer of tax lien) only a **municipality or county** where the property is located, or the state may acquire a tax lien against land and buildings for unpaid taxes.



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## TAXES SUBJECT TO LIEN PROCEDURE

- Betterment/Special Assessments
- Land Use Change Taxes (LUCT)
- Excavation Taxes – (excavated materials)
- Property Taxes
- Resident Taxes
- Sewer Rents
- Water Rents
- Yield Taxes
- Inconsistent Use Penalty (for Conservation Restriction 79-B)
- Release or expiration of Easement (for Discretionary Easements 79-C)
- Release or expiration of Easement (for Discretionary Preservation Easements 79-D)
- Termination of Covenant (for Community Revitalization 79-E)
- Use Change Tax (for Farm Structures 79-F)




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## RSA 76:11-B. NOTICE OF ARREARAGE.

- Also known as, DELINQUENCY NOTICE.
- The Tax Collector **shall** provide to the owner as of April 1 or current owner, if known, a **summary of all uncollected and unredeemed taxes** on the property.
- This summary may be included on or **with the tax bill** or may be sent by separate mailing **within 90 days of the due date of the final tax bill.**




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## BANKRUPTCY NOTICE -DOOLAN CASE-

- **Bankruptcy (Doolan) notice** must be included on notice or as an insert with the notice of arrearage.

**IMPORTANT NOTICE  
TO ASSESSED PROPERTY OWNERS CURRENTLY IN BANKRUPTCY**

PLEASE NOTE: If you are currently in bankruptcy and subject to the protections of the Automatic Stay provisions of Section 362(a) of the Bankruptcy Code, then the language on this notice is hereby modified as follows:

(a) By sending this notice, the Town is not attempting to collect any delinquent tax debt from property owner(s) in bankruptcy and the notice should not be interpreted as requiring payment. The notice is a requirement of New Hampshire law in order for the Town to perfect its statutory lien.

(b) The Tax Collector or Town may not increase the rate of interest where the Court has set such rate without seeking appropriate Bankruptcy Court approval.

(c) The provisions of the federal bankruptcy law may affect the rights of the municipality under state law as long as the assessed property owner is in bankruptcy. A tax collector's deed cannot and will not be issued without appropriate bankruptcy Court approval.

Please seek legal counsel if you have any questions concerning this bankruptcy section of the Notice of Tax Delinquencies and Unredeemed Tax Liens. The tax collector's office cannot provide legal advice.

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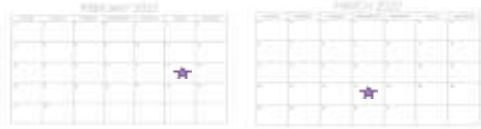
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## NOTICE OF LIEN

- Collector shall give notice of **impending lien**.
  - At least **30 days prior to the execution** of said lien.
  - Certified or registered mail return receipt** requested to last known post office address of the current owner, if known, or the person against whom the tax was assessed.



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## NOTICE REQUIREMENTS

- Notice shall:
  - State the **name of the current owner**, if known, or the person against whom the tax was assessed.
  - Description of the **property** as committed to the tax collector.
  - Date & time** on which the last **payment** shall be **accepted**.
  - Amount** of the tax, interest and costs to the **date of execution**.
- Return receipt shall be **prima facie evidence** that the collector has complied with the notice requirements of this section.



Search fees added *prior to creating file for noticing.*

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## BANKRUPTCY NOTICE FOR IMPENDING LIEN -DOOLAN CASE-

### IMPORTANT NOTICE TO ASSESSED PROPERTY OWNERS CURRENTLY IN BANKRUPTCY

PLEASE NOTE: If you are currently in bankruptcy and subject to the protections of the Automatic Stay provisions of Section 362(a) of the Bankruptcy Code, then the language on this notice is hereby modified as follows:

- By sending this notice, the Town is not attempting to collect any delinquent tax debt from property owner(s) in bankruptcy and the notice should not be interpreted as requiring payment. The notice is a requirement of New Hampshire law in order for the Town to perfect its statutory lien.
- The Tax Collector or Town may not increase the rate of interest where the Court has set such rate without seeking appropriate Bankruptcy Court approval.
- The provisions of the federal bankruptcy law may affect the rights of the municipality under state law as long as the assessed property owner is in bankruptcy. A tax collector's deed cannot and will not be issued without appropriate bankruptcy Court approval.

Please seek legal counsel if you have any questions concerning this bankruptcy section of the Notice of Impending Tax Lien. The tax collector's office cannot provide legal advice.

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## HOW NOTICE SHALL BE GIVEN

- Notice shall be in **writing**.
- Sent by **certified mail**, return receipt requested, or registered mail to his last known post-office address.



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## 2021 Levy Tax Lien Notice - Fees

- Collectors Fee For Notice = \$10
- Collectors Fee Per Parcel = \$2 each
- Certified Mail Return Receipt = \$7.38
- Incidental Expenses = \$0.62
- **Total Notice Fees:** 1<sup>st</sup> Parcel = \$20.00 Subsequent Parcels = \$ 2.00

Go to [www.nhtaxcollectors.org](http://www.nhtaxcollectors.org) for yearly updates on fee's

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## INTEREST ON DELINQUENT TAXES (2019 LEVY AND AFTER)

- Delinquent Property Tax after July 1<sup>st</sup> or 30 days after mailing or after due date. **8%**
- Delinquent Property Tax after December 1<sup>st</sup> or 30 days after mailing or after due date. **8%**



- Property Tax after Lien Execution **14%**

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## INTEREST ON OTHER TAXES

- Current Use Change Tax **18%** 30 days after mailing. After Lien Execution continues to accrue at **14%**
- Excavation Tax **18%** 30 days after mailing. After Lien Execution continues to accrue at **14%**
- Yield Tax **18%** 30 days after mailing. After Lien Execution continues to accrue at **14%**



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## LIEN FILES ORGANIZATIONAL TOOLS

In a large three ring binder(s) alphabetize by last name

### Include

- Impending lien notices
- Certified mail Receipt
- Certified Article Number sticker
- Return Receipt –Once returned
- A copy of the notice with the certified bar code attached

This style organization will come in handy when you are ready to execute the lien.

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## ADMINISTRATIVE CHECKLIST

- | Map | Lot | Sub |   |  |
|-----|-----|-----|---|--|
|     |     |     | • Property Address: _____   | • DEEDING YEAR _____   |
|     |     |     | • LEVY YEAR _____<br>Month/Day/Year   | • Certified Notice of Tax Deed to Mortgagee (RSA 80:77-a)<br>_____/_____/_____<br><i>(by certified mail)</i> Attach a copy of certified receipt, if applicable |
|     |     |     | • Date of 2 <sup>nd</sup> 1/3 property tax bill for levy year<br><i>(by first class mail)</i>                     | • Schedule inspection of property up for deeding.  |
|     |     |     | • Notice of Arraignment AKA Delinquent Notice (RSA 76:11-b)<br>_____/_____/_____<br><i>(by first class mail)</i>  | • Certified Notice of Tax Deed to Property Owner (RSA 80:77)<br>_____/_____/_____<br><i>(by certified mail)</i> Attach a copy of certified receipt             |
|     |     |     | • Certified Notice of Tax Lien (RSA 80:60)<br><i>(by certified mail)</i> Attach a copy of certified receipt       | • SIGNED WAIVER _____ YES NO   |
|     |     |     | • TAX LIEN EXECUTION (RSA 80:64)<br>_____/_____/_____   | • DEED EXECUTION (RSA 80:38)<br>_____/_____/_____  |
|     |     |     | • Notice to Mortgagee, if applicable (RSA 80:65)<br><i>(by certified mail)</i> Attach a copy of certified receipt |  |

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## BEFORE YOU EXECUTE

14 days prior to execution accept **ONLY** cash or bank check  
Checks and ACH/EFT payments can take up 14 days to clear or get returned.



**Make sure :**

- Apply payments received
- Deposit out of all locations before executing the lien.

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## AFFIDAVIT OF EXECUTION OF REAL ESTATE TAX LIEN

- An **affidavit** of the execution of the tax lien to the municipality, county or state shall be *delivered to the municipality* by the tax collector on the *day following the last date for payment of taxes* as stated in the notice given in RSA 80:60.
- The collector shall **execute** to the municipality, county or state only a *100% common and undivided interest* in the property and no portion thereof shall be executed in severalty by metes and bounds; provided, however, that where distinct interests in the property have been separately assessed, the tax lien shall be *for 100% of the separate distinct interest* upon which the taxes have not been fully paid.

**September 30, of the current year, is the last day to execute lien for the prior year levy.**

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## 2021 LEVY TAX LIEN EXECUTION - FEES

- Collectors Fee For Executing = \$10
- Collectors Fee Per Parcel Executed = \$2 each
- Collectors Fee Per Parcel Recording at Registry of Deeds = \$2 each
- Registry of Deeds Recording Fee Per Parcel = \$2 each
- Registry of Deeds Redemption Fee Per Parcel = \$2 each (*like a prepayment*)
- Incidental Expenses = \$0.50
- **Total Execution Fees:** 1<sup>st</sup> parcel = \$18.50 Subsequent parcels = \$ 8.00

**To be added to parcel at time of execution of lien.**

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## REPORT OF TAX LIEN

Within 30 days after executing the tax lien

- Deliver or forward to the **Register of Deeds** a statement of the following facts:
  - Name of person taxed.
  - Description of the property as appeared on the tax list committed.
  - Total amount of each tax lien, including taxes, interest, fees and costs incident to the tax lien process.
  - Date and place of execution.
  - Certified under oath by the Tax Collector.**



Once returned by the registry add book and page into your software

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## MORTGAGEE SEARCH

- The municipality, county or state as lienholder shall:
  - Identify and notify all persons holding mortgages upon such property recorded in the office of the register of deeds.
    - Within 60 days** from the date of the execution of the lien.
    - May, if they determine mortgages exist, direct the collector to give such notice.
    - Prior to performing the search or forwarding execution list to a search company, add the search fee to each parcel. **\$10** or the cost from the search company.



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## NOTICE TO MORTGAGEE

- Identifying Mortgagees Search Fee = \$10
  - Notice to Mortgagee = \$10 each
  - Certified Mail Return Receipt = \$7.38
  - Incidental Expenses = \$0.62
- Notice shall contain:
- Date of execution of the lien.
  - Name of the delinquent taxpayer.
  - Total amount of the lien and the amount of costs for identifying and notifying mortgagees.
- It is recommended that the tax collector get a directive each year from the governing body directing them to hire a research company to identify mortgagees.



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## HOW NOTICE SHALL BE GIVEN

- Notice shall be in **writing**.
- Copy given to each mortgagee as recorded at the Registry of Deeds.
  - In hand,
  - Left at his usual place of abode, or
  - Sent by **certified mail**, return receipt requested, or registered mail to his last known post-office address.



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## BANK SEARCH TOOLS

- National Information center: <https://www.ffiec.gov/nicpubweb/nicweb/nichome.aspx>
- FDIC: <https://www.fdic.gov/>
- NH Banking Division: <https://www.nh.gov/banking/>
- Wikipedia: [https://en.wikipedia.org/wiki/List\\_of\\_bank\\_mergers\\_in\\_the\\_United\\_States](https://en.wikipedia.org/wiki/List_of_bank_mergers_in_the_United_States)
- IRS: <https://www.irs.gov>

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## REDEMPTION

- Any person with a **LEGAL INTEREST** may redeem by paying or tendering to the collector anytime before a deed is given. (*two years from lien date*)



\*This includes full or partial payments

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## NOTICE OF REDEMPTION

- When full redemption is made:
  - Tax Collector shall **within 30 days** notify the Register of Deeds.
    - Name of the person redeeming.
    - Date when redemption was made.
    - Date of the execution of the tax lien.
    - Brief description of the real estate in question.
    - Name of the person or persons against whom the tax was levied.
    - Best practice is to run a report of redemptions **twice** a month.

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### Redemption Schedule

- |   |   |
|---|---|
| <p><b>January</b><br/>Run Report 12/1-12/15 on 1/2<br/>Run Report 12/16-12/31 on 1/15</p> <p><b>February</b><br/>Run Report 1/1-1/15 on 2/1<br/>Run Report 1/16-1/31 on 2/15</p> <p><b>March</b><br/>Run Report 2/1-2/15 on 3/1<br/>Run Report 2/16-2/28 on 3/15</p> <p><b>April</b><br/>Run Report 3/1-3/15 on 4/1<br/>Run Report 3/16-3/30 on 4/15</p> <p><b>May</b><br/>Run Report 4/1-4/15 on 5/1<br/>Run Report 4/16-4/31 on 5/15</p> <p><b>June</b><br/>Run Report 5/1-5/15 on 6/1<br/>Run Report 5/16-5/31 on 6/15</p> | <p><b>July</b><br/>Run Report 6/1-6/15 on 7/1<br/>Run Report 6/15-6/30 on 7/15</p> <p><b>August</b><br/>Run Report 7/1-7/15 on 8/1<br/>Run Report 7/15-7/31 on 8/15</p> <p><b>September</b><br/>Run Report 8/1-8/15 on 9/1<br/>Run Report 8/16-8/31 on 9/15</p> <p><b>October</b><br/>Run Report 9/1-9/15 on 10/1<br/>Run Report 9/16-9/30 on 10/15</p> <p><b>November</b><br/>Run Report 10/1-10/15 on 11/1<br/>Run Report 10/16-10/31 on 11/15</p> <p><b>December</b><br/>Run Report 11/1-11/15 on 12/1<br/>Run Report 11/16-11/30 on 12/15</p> |
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## IMPORTANT RSA'S

- **RSA 76:2** NH PROPERTY TAX YEAR
- **RSA 76:11-B** NOTICE OF ARREARAGE
- **RSA 76:15-A** SEMI-ANNUAL COLLECTION OF TAXES
- **RSA 76:15-AA** QUARTERLY BILLING OF TAXES
- **RSA 41:35 & 41:29** COLLECTOR DUTIES
- **RSA 80:60** NOTICE OF LIEN
- **RSA 80:61** AFFIDAVIT OF EXECUTION OF REAL ESTATE TAX LIEN
- **RSA 80:62** POSTPONEMENT OF EXECUTION
- **RSA 80:63** RIGHT TO TAX LIEN
- **RSA 80:64** REPORT OF TAX LIEN
- **RSA 80:65** NOTICE BY LIENHOLDER TO MORTGAGEE & FEES
- **RSA 80:66** HOW NOTICE SHALL BE GIVEN
- **RSA 80:69** REDEMPTION
- **RSA 80:70** NOTICE OF REDEMPTION
- **RSA 80:81 & 82** TAX LIEN FEES

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