



Property Tax Billing in Massachusetts

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A bit of context

- Property taxes, in Mass., are assessed and collected at the municipal level (as opposed to county level) for historical reasons.
- Semi-Annual (twice per year) was historically the “default” billing schedule.
- Due to concerns about cash flow in municipalities, Mass. adopted a local option statute allowing local governments to “opt-in” to quarterly tax billing.
- Semi-annual billing has a more flexible billing schedule, while quarterly billing adopted a fixed billing schedule.



Comparison of Billing Schedules



Semi-Annual Tax Billing

- Due Dates are November 1st, or 30 days following issuance of 1st Half Bills, whichever is later.
 - 2nd Half is due May 1st.
- Fiscal Years in Mass. are July 1st – June 30th, so July 1st through Nov. 1st (or later...) before receiving revenue presents significant cash flow issues.
- Semi-Annual communities must either accumulate significant cash reserves to cover expenses for 4-5 months, or issue short-term notes to borrow in order to cover expenses.



Quarterly Tax Billing

- Due Dates are August 1st (1st quarter), November 1st, February 1st & May 1st. Bills must be issued 30 days in advance of these dates to take advantage of cash flow advantages.
- 1st two quarters are “preliminary/estimated” assessments, allowing assessors more time to certify assessed values and set tax rate.
- Cash flow issues present in the semi-annual billing schedule are solved under the quarterly billing schedule.

Some other considerations:

- Changing from semi-annual tax billing to quarterly tax billing schedule doubles printing, postage, and payment processing costs.
- Massachusetts allows communities to establish “opt-in” e-billing programs that are voluntary on the part of taxpayers.
- Semi-annual billing has a more flexible billing schedule, while quarterly billing adopted a fixed billing schedule.



An aerial photograph of a small town nestled in a valley. The town features a prominent white church with a tall steeple, several houses, and a red barn. A two-lane road with a bridge crosses a river in the foreground. The surrounding hills and fields are covered in trees with vibrant autumn foliage in shades of orange, yellow, and green. The word "Questions?" is overlaid in large white text on the left side of the image.

Questions?