



TAX TITLE

RC-470 DISCLAIM PROCESS

DISCLAIMING A TAX TAKING

A tax title is a lien placed on property to enforce the collection of property taxes. Run the disclaim taking process if the Tax Title is invalid. MA General Law (always check the state website to ensure that the most current information is used):

[General Law - Part I, Title IX, Chapter 60, Section 84 \(malegislature.gov\)](#):

Section 84: Reassessment or collection of taxes where title invalid; disclaimer by municipality of title

Section 84. If the collector has reasonable cause to believe that a tax title, held by a town under a sale or taking for non-payment of a tax, is invalid by reason of any error, omission or informality in the assessment, sale or taking, he may disclaim and release such title by an instrument under his hand and seal, duly recorded in the registry of deeds. If the invalidity of a tax title so disclaimed and released or of a tax title released under section eighty-two or eighty-three was caused by an error, omission or informality in the assessment, the collector shall, upon the recording of such disclaimer and release or after obtaining from the holder of the deed a release of his interest or after causing a copy of the notice to be filed and recorded as provided in section eighty-three, forthwith notify the board by which the tax or assessment was laid, which shall forthwith reassess it as provided in section seventy-seven of chapter fifty-nine. If such invalidity was caused by an error, omission or informality in the proceedings of the collector, he shall, after the recording of such disclaimer and release, or after obtaining such release or after filing or recording such copy, forthwith collect the unpaid tax or assessment in conformity to law.

The intent when disclaiming is to remove the taking, reverse the accounting, and make the regular real estate bill available for collection.

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1 Disclaim Tax Taking Step Menu

Click on:

Collections ▶ Tax Title ▶ Disclaim Tax Taking

to display the **Disclaim Tax Taking** Step Menu.

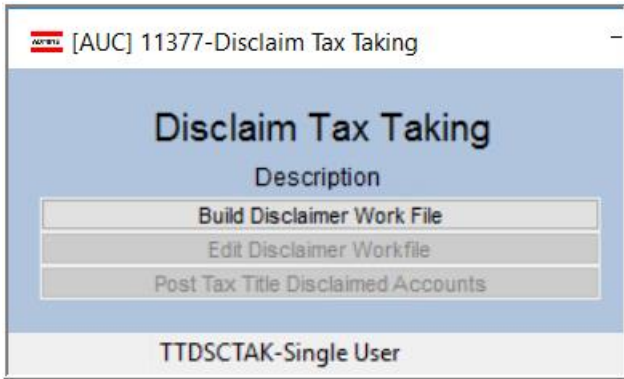


Figure 1 Accessing the Disclaim Tax Taking Menu

1.1 Build the Disclaimer Work File

Click on the **Build Disclaimer Work File** button. The system will present a prompt; select the parcel to be disclaimed from the lookup:

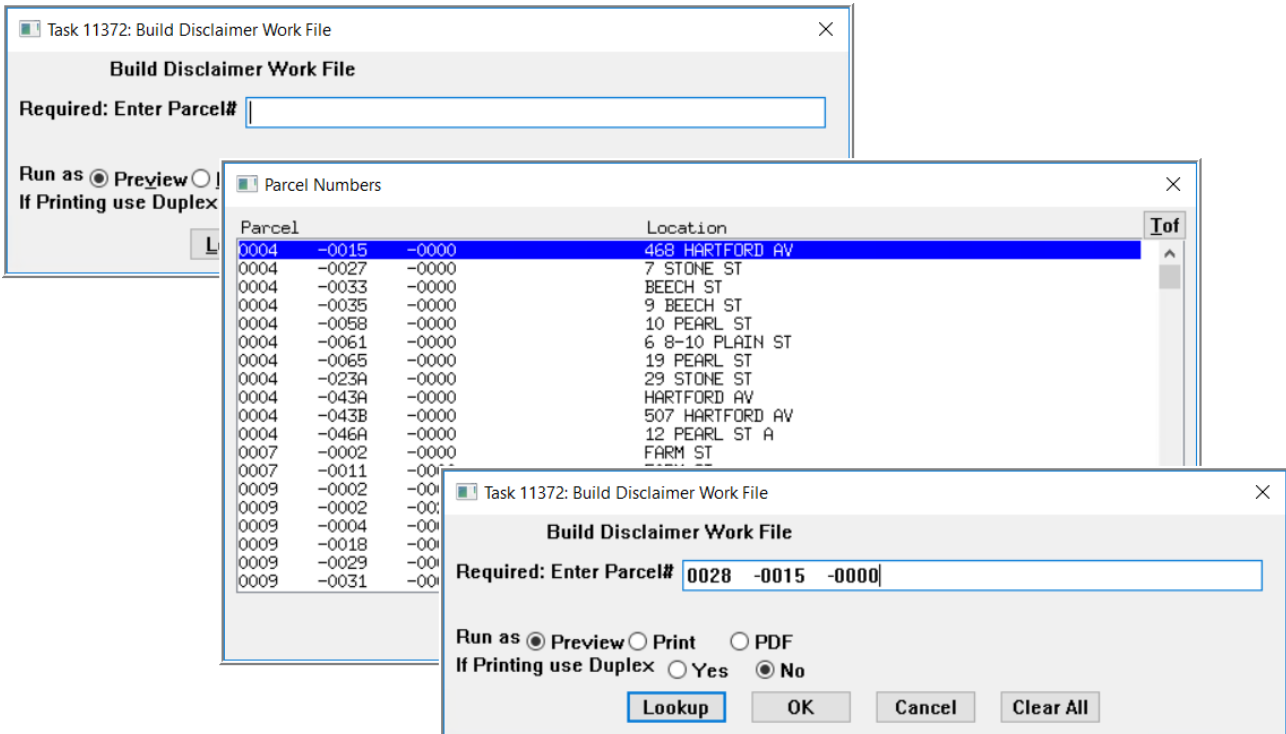


Figure 2 Selecting the parcel to be disclaimed

The system will display an edit list of the taking to be disclaimed.



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Disclaimer Account Detail

Detail of Disclaimed Balances for Parcel 0028 -0015 -0000

Bill Number	Location & Owner	Qtr	Category	Charge	Abt_ Exm	Pay_Adj_Ref	Balance
002092-00							
		Qtr	Category	Charge			
							2,732.84
							20.00
							100.00
							5.00
							10.00
		1	01 Tax	2,732.84			10.00
		1	30 Advertising Fee	20.00			76.00
		1	32 Collector Fees	100.00			
		1	33 Demand	5.00			2,953.84
		1	34 Advertising Prep Fee	10.00			
*** Total ***	#Bills: 1	1	35 Instrument of Taking Prep Fe	10.00			2,953.84
		1	36 Instrument of Taking Recordi	76.00			
		1	40 Tax Interest				
			Total for Year 2019	2,953.84			

Selection Legend:
Parcel: 0028 0015 0000

Figure 3 Detail of Disclaimed Balances

Table 1 Column descriptions for the Disclaimer Account Detail report

Column Label	Description
Bill Number	The bill number for the original Real Estate tax. The disclaim process will restore the charges to the bill number originally charged.
Location & Owner	The location address of the parcel being disclaimed; The owner of the parcel being disclaimed
Qtr	The Quarter the charges were committed & billed
Category	The number and description of the category
Charge	The original charge at the time of taking
Abt_ Exm	Any abatements or exemptions applied to the original charge
Pay_Adj_Ref	Any payments, adjustments, and refunds applied to the original charge
Balance	The balance to be restored to the real estate bill
*** Total*** # Bills:	The # of bills being disclaimed (usually one)
Selection Legend	Shows the Parcel # being disclaimed

1.2 Edit the Disclaimer Workfile



The [Edit Disclaimer Workfile] button will display the **Edit Disclaimer Workfile** screen. If multiple years are listed here, select just the one to be disclaimed. Click on the [1 Detail] button to view details for the selected year. These screens are for viewing only; no data may be changed.

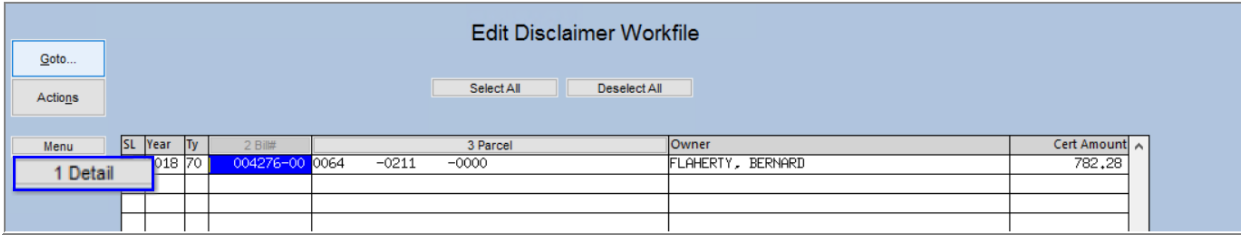


Figure 4 The Edit Disclaimer Workfile Screen

Table 2 Describes the screen components of the Edit Disclaimer Workfile screen

Column Header	How used
	Use the [Select All] button to select all the years listed to be disclaimed.
	Use the [Deselect All] button clear the checkbox on every year
<input checked="" type="checkbox"/>	Check this box to select this year to be disclaimed.
Year	The tax year for the taking being disclaimed – there can be multiple years listed; select the year to be disclaimed
TY	The type will be 70, the Tax Title Bill Type
[2 Bill Number]	The bill number for each tax year is listed – the column header is a clickable button to allow sorting and finding a bill
[3 Parcel]	The category number and description (Tax, Tax Interest, Demand, Utility Liens)
Owner	The name of the owner of the parcel
Cert Amount	The amount to be disclaimed
	The Menu button will return the display to the step menu

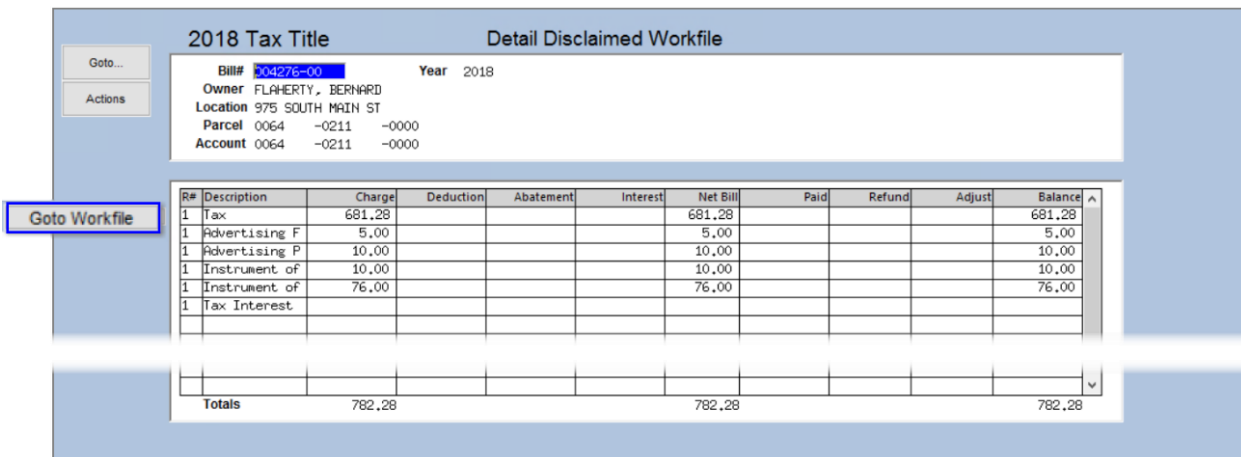


Figure 5 The Detail Disclaimed Workfile screen – no data may be changed on this screen

Return to the **Edit Disclaimer Workfile** Screen using the **[Goto Workfile]** button.



1.3 Post Tax Title Disclaimed Accounts

Post Tax Title Disclaimed Accounts

The last step is to post the **Tax Title Disclaimed** accounts. The **Transaction Date** and **Date of Taking** are required; both must be entered on the prompt. The date of taking defines for the system which amounts are to be disclaimed, so it must match the date of the original taking.

In the example, the **date of taking is February 15, 2021**. An error is discovered prior to that, and the **disclaim** transaction is done **on January 19, 2021**.

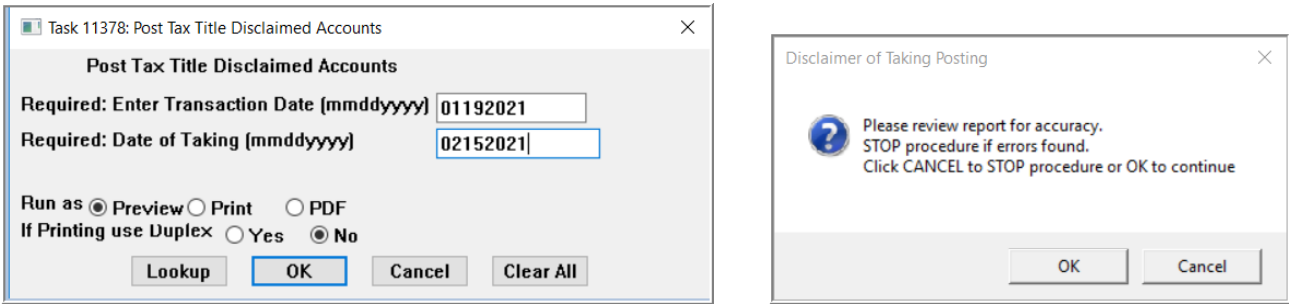


Figure 6 Post Tax Title Disclaimed Reports & prompt to review for accuracy.

This step produces several reports: review each for accuracy, as prompted in the image in Figure 6.

1.1.1 #11379 Disclaimed Tax Taking Accounts

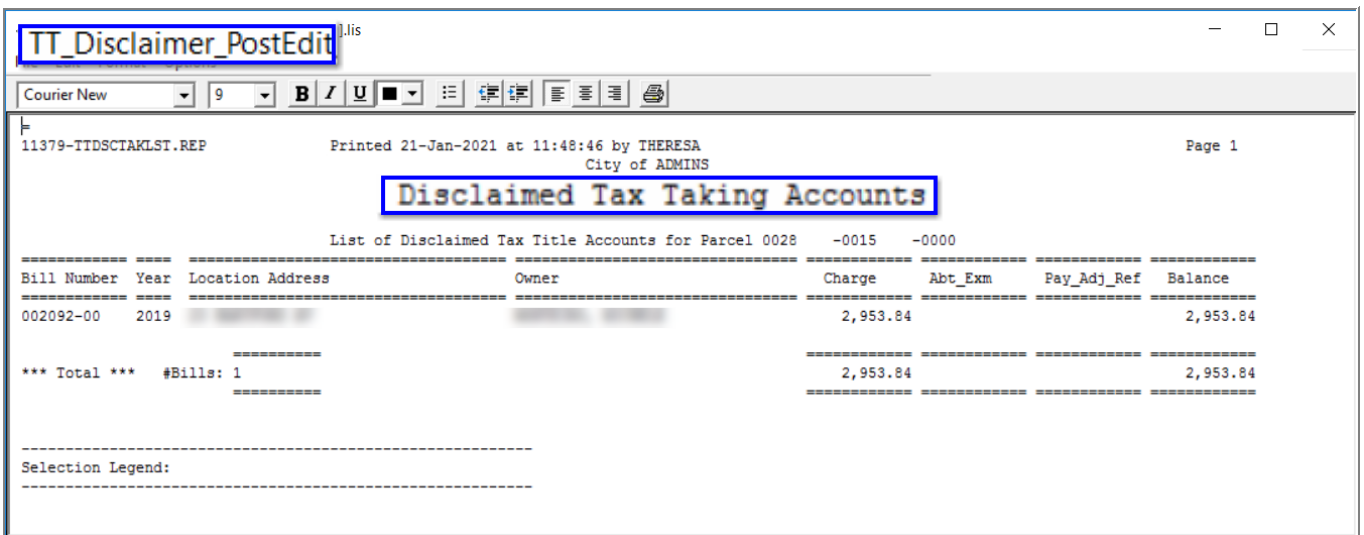


Figure 7 List of Disclaimed Tax Taking Accounts

Column	Description
Bill Number	The bill number for the original Real Estate tax. The disclaim process will restore the charges to the bill shown.
Year	The year of the bill
Location Address	The location address of the parcel being disclaimed
Owner	The owner of the parcel being disclaimed



Column	Description
Charge	The charge at the time of taking
Abt_Exm	Any abatements or exemptions applied to the original charge
Pay_Adj_Ref	Any payments, adjustments, and refunds applied to the original charge
Balance	The balance to be restored to the real estate bill

1.1.2 #11380 Disclaimed Tax Taking Transactions

Disclaimed Tax Taking Transactions

List of Parcel Transactions used to Reverse Taking

Bill Number	Year	Parcel	Location	Owner
002092-00	2019	0015 -0000		

Category	Charge	Adjustment
Tax		-667.56
Tax		-836.48
Tax		-836.48
Advertising Fee		-15.00
Posting Notices		-5.00
Collector Fees	100.00	
Collector Fees		-100.00
Demand		-5.00
Advertising Prep Fee		-10.00
Instrument of Taking Prep Fee	10.00	
Instrument of Taking Prep Fee		-10.00
Instrument of Taking Recording Fee		-76.00
Instrument of Taking Recording Fee	76.00	
Tax Interest		-140.21
Tax Interest		-140.21
Tax Interest		-111.90
Parcel Total	186.00	-2,953.84

Real Estate Total 186.00 -2,953.84

Real Estate Total 186.00 -2,953.84

The top portion of the report shows the transactions to be restored to the Real Estate Bill

Bill Number	Year	Parcel	Location	Owner
002092-00	2019	0028 -0015 -0000		

Category	Charge	Adjustment
Tax	2,732.84	
Advertising Fee	20.00	
Collector Fees	100.00	
Demand	5.00	
Advertising Prep Fee	10.00	
Instrument of Taking Prep Fee	10.00	
Instrument of Taking Recording Fee	76.00	
Parcel Total	2,953.84	

Tax Title Total 2,953.84

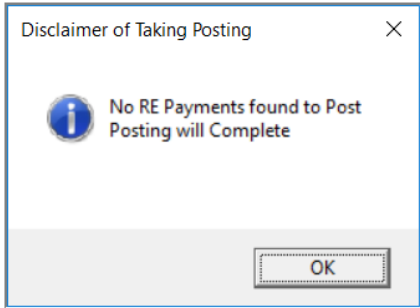
Tax Title Total 2,953.84

The bottom portion of the report shows the transactions to be removed from the Tax Title record

Figure 8 The Disclaimed Transaction list shows the charges that will be restored to RE / removed from TT

1.1.3 #11381 Disclaimed Taking GL Posting Report

The system will check if Real Estate payment are to be posted prior to completing the posting of the disclaim. A message will be displayed that the Posting will complete.



The Disclaimer process creates general ledger transactions that reverse the original taking postings.

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File Edit Format Options

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#100
11381-ITDSCTAKGLPST.REP Printed 21-Jan-2021 at 11:48:55 by THERESA City of ADMINS Page 1
Disclaimed Taking GL Posting

GL Posting#: 8882548
Disclaimer of Taking from RE

FY	Date	Account#	Description	Debit	Credit
2021	19-Jan-2021	1000-000-0000-000-00-00-12400	TAX LIENS A/R		2853.84
2021	19-Jan-2021	1000-000-0000-000-00-00-26100	DEF REVENUE-RE & PP TAXES		2340.52
2021	19-Jan-2021	1000-000-0000-000-00-00-26750	DEF REVENUE-TAX LIENS	2853.84	
2021	19-Jan-2021	1000-000-0000-000-00-39-12200	2019 REAL ESTATE A/R	2340.52	
BALANCE SHEET				5194.36	5194.36
Total Year 2021				5194.36	5194.36
*** GRAND TOTAL ***					
Balance Sheet				5194.36	5194.36
Subsidiary Ledger					

Figure 9 The Disclaimed Taking General Ledger Posting



Only the dollar amounts that were originally booked to Accounts Receivable (that are marked in the bill category table to post to A/R) will be included in the GL posting. All charges as of the date entered will be reversed in the Collections module. See the Bill Category table and RC-450 Original Tax Taking document in the Help Reference Library.

1.4 Update Billing Records

Posting the disclaim removes transactions in the Tax Title bill and brings the Tax Title balance for the selected year to zero. It also restores transactions to the regular real estate bill, adding the charges back to it and making it available for collections.



1.1.4 Tax Title Balance Inquiry

The screenshot shows the 'Tax Title Balance Inquiry' window for parcel 0028 -0015 -0000. The status is 'Disclaimed'. A table below shows various charges and deductions, all with zero values. A callout box states: 'The screen is marked Disclaimed; no amounts remain on the tax title record'.

Description	Charge	Deduction	Interest	Net Bill	Paid	Refund	Adjust	Balance	Entry Pending
Tax									
Advertising Fee									
Collector Fees									
Demand									
Advertising Prep Fe									
Instrument of Takin									
Instrument of Takin									
Tax Interest									
Parcel Total									

All the taxes, fees, and interest are removed from the **Tax Title Balance Inquiry** screen for the disclaimed parcel.

1.1.5 Real Estate Bill Inquiry

The screenshot shows the '2019 Real Estate Transactions' bill for owner MONTEIRO, MICHELE. The balance as of 22-Jan-2021 is \$2767.84. The table lists transactions from 15-Jan-2021 to 15-Feb-2021. Callouts explain: 'Fees from 2/15 are reversed', 'Only transactions dated with the Original Taking date of February 15, 2021 are reversed.', 'The Q4 Advertising and posting fees dated January 30, 2021 remain on the Real Estate bill.', and 'Q1-Q3 interest is a wash'.

Description	Trx Date	Charges	Payments	Other	Display - Transaction Desc
Q1 Tax	15-Jan-2021	796.54			Final Notice 21-Jan-2021
Q2 Tax	19-Jan-2021			667.56	Disclaimer of Tax Taking
Q2 Tax Interest	19-Jan-2021			111.90	Disclaimer of Tax Taking
Q3 Tax	19-Jan-2021			836.48	Disclaimer of Tax Taking
Q3 Tax Interest	19-Jan-2021			140.21	Disclaimer of Tax Taking
Q4 Tax	19-Jan-2021			836.48	Disclaimer of Tax Taking
Q4 Advertising Fee	19-Jan-2021			15.00	Disclaimer of Tax Taking
Q4 Posting Notices	19-Jan-2021			5.00	Disclaimer of Tax Taking
Q4 Collector Fees	19-Jan-2021			100.00	Disclaimer of Tax Taking
Q4 Demand	19-Jan-2021			5.00	Disclaimer of Tax Taking
Q4 Advertising Prep Fe	19-Jan-2021			10.00	Disclaimer of Tax Taking
Q4 Instrument of Takin	19-Jan-2021			10.00	Disclaimer of Tax Taking
Q4 Instrument of Takin	19-Jan-2021			76.00	Disclaimer of Tax Taking
Q4 Tax Interest	19-Jan-2021			140.21	Disclaimer of Tax Taking
Q4 Instrument of Takin	19-Jan-2021	-10.00			Disclaimer of Tax Taking
Q4 Instrument of Takin	19-Jan-2021	-76.00			Disclaimer of Tax Taking
Q4 Collector Fees	19-Jan-2021	-100.00			Disclaimer of Tax Taking
Q1 Tax	30-Jan-2021				Advertisement Notice
Q4 Advertising Fee	30-Jan-2021	15.00			Tax Taking Fee
Q4 Posting Notices	30-Jan-2021	5.00			Tax Taking Fee
Q4 Advertising Prep Fe	30-Jan-2021	10.00			Tax Taking Fee
Q1 Tax	15-Feb-2021				Instrument of Takin
Q2 Tax	15-Feb-2021			-667.56	Moved to Original Tax Title
Q2 Tax Interest	15-Feb-2021			-111.90	Moved to Original Tax Title
Q3 Tax	15-Feb-2021			-836.48	Moved to Original Tax Title
Q3 Tax Interest	15-Feb-2021			-140.21	Moved to Original Tax Title
Q4 Tax	15-Feb-2021			-836.48	Moved to Original Tax Title
Q4 Advertising Fee	15-Feb-2021			-15.00	Moved to Original Tax Title
Q4 Posting Notices	15-Feb-2021			-5.00	Moved to Original Tax Title
Q4 Collector Fees	15-Feb-2021			-100.00	Moved to Original Tax Title
Q4 Demand	15-Feb-2021			-5.00	Moved to Original Tax Title
Q4 Advertising Prep Fe	15-Feb-2021			-10.00	Moved to Original Tax Title
Q4 Instrument of Takin	15-Feb-2021			-10.00	Moved to Original Tax Title
Q4 Instrument of Takin	15-Feb-2021			-76.00	Moved to Original Tax Title
Q4 Tax Interest	15-Feb-2021			-140.21	Moved to Original Tax Title

Advertising, demand, and posting fees that were on the bill prior to the original taking are restored to the real estate bill, along with tax and interest.

Figure 10 The Real Estate bill after the disclaimer is posted