Tax Collector's Deed Overview

# Tax Collector's Deed Overview

2026 ANNUAL CONFERENCE

# RSA 80:76 Tax Deed

- The collector, **after 2 years** from the execution of the real estate tax lien, **shall execute** to the lienholder (municipality) a **deed** of the land subject to the real estate tax lien and not redeemed. With the following exceptions:

# RSA 80:76 Tax Deed

- The governing body has deemed the property an environmental liability.

- The governing body determined acceptance and ownership of the real estate would subject the municipality to undesirable obligations or liability risks, including obligations under real estate covenants or obligations to tenants, or for any other reason would be contrary to the public interest.

- Such a decision **shall not be made solely for the benefit of a taxpayer.**

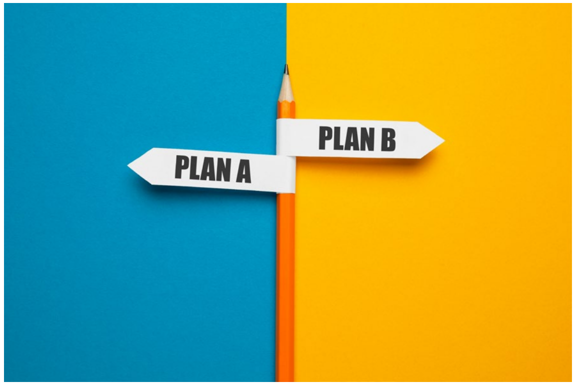
# RSA 80:76 Tax Deed (Cont.)

- When a governing body has, under paragraph II or II-a, served notice (deed waiver) upon the collector it shall not accept the deed, the **tax lien shall remain in effect indefinitely**, retaining its priority over other liens. The taxpayer's **right of redemption** as provided by RSA 80:69 shall likewise be **extended indefinitely**, with interest continuing to accrue as provided in that section.

- The **tax lien may be enforced by the municipality by suit** as provided under RSA 80:50, and through any remedy provided by law for the enforcement of other types of liens and attachments.

# RSA 80:76. Tax Deed (Cont.)

- If, at any time, in the judgment of the municipal governing body, the **reasons** for refusing the tax deed **no longer apply**, and the tax lien has not been satisfied, the **governing body may instruct the collector** to issue the **tax deed**, and the collector shall do so after giving the notices required by RSA 80:77 and 80:77-a.



# Prepare for Tax Collector’s Deeding


- Set Deed Date – be sure it coincides with the governing body’s meeting date.
- Prepare a report for meeting to discuss properties with Council/Selectmen.

# Prepare for Tax Collector's Deeding (Cont.)

- Run reports listing all properties eligible for deed.
- Send list to search company; identify mortgagees.
- Check to see if any properties are in bankruptcy.


**CAUTION: You shall not send an impending deed notice to any property in bankruptcy.**

# Prepare for Tax Collector's Deeding (Cont.)

- Compile deed folders for each property eligible. (sample can be found in the best practice manual on the NHTCA website: https://www.nhtaxcollectors.org/

# Prepare for Tax Collector's Deeding (Cont.)

**ADMINISTRATIVE CHECKLIST FOR TAX DEEDING**

**Map** **Lot** **Sub**

**Property Address** ________________________________________________

**LEVY YEAR** ____________ **Month/Day/Year**

Date of 2nd ½ property tax bill for levy year _____/_____/_____
*(by first class mail)*

Notice of Arrearage AKA Delinquent Notice (RSA 76:11-b) _____/_____/_____
*(by first class mail)*

Certified Notice of Tax Lien (RSA 80:60) _____/_____/_____
*(by certified mail)* Attach a copy of certified receipt

**TAX LIEN EXECUTION (RSA 80:64)** _____/_____/_____

Notice to Mortgagee, if applicable (RSA 80:65) _____/_____/_____
*(by certified mail)* Attach a copy of certified receipt

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**DEEDING YEAR** ____________

Certified Notice of Tax Deed to Mortgagee (RSA 80:77-a) _____/_____/_____
*(by certified mail)* Attach a copy of certified receipt, if applicable

Certified Notice of Tax Deed to Property Owner (RSA 80:77) _____/_____/_____
*(by certified mail)* Attach a copy of certified receipt

***SIGNED WAIVER,*** if applicable YES NO _____/_____/_____

**DEED EXECUTION** (RSA 80:38) _____/_____/_____
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# RSA 80:77 Notice to Current Owner RSA 80:77-a Notice to Mortgagee

- **At least 30 days** prior to executing the deed:
  - Tax Collector shall notify the **current owner** of the property or his representative or executor by **certified mail**, return receipt requested.
  - Tax Collector shall notify any mortgagee by **certified mail**, return receipt requested whose mortgage was recorded in the office of the register of deeds at least 30 days prior to the mailing of the notice.

# RSA 80:77 Notice to Current Owner, RSA 80:77-a Notice to Mortgagee (Cont.)



- Notice shall, at the minimum, contain:
  - Name of the delinquent **taxpayer(s)**.
  - Description of the **property** subject to the tax lien.
  - **Amount** of the tax lien and the amount of tax collector's fee and expenses necessary for redemption.
  - Issue **date** of the tax lien **deed.**
  - **Expiration date** of the right of **redemption.**
  - Warning that the **legal interest** of the taxpayer and each mortgagee will be **extinguished** by the tax lien deed.

# RSA 80:77 Notice to Current Owner

- Impending Tax Deed to Current Owner Fees include:

1) Collector's Fee
2) Certified Mail Fee
3) Printing Fee


****Add fees to amount owed prior to noticing!****

**NOTE:** Fees subject to adjustment if postage rates change. Please reference the NHTCA website: http://nhtaxcollectors.org under "Technical References" for a current list of fees.

# RSA 80:77-a
# Notice to Mortgagee

## Identify Mortgagee(s) (directed by governing body)

- Impending Tax Deed notice to each identified Mortgagees Fees include:
  1) Fee for search*
  2) Mortgagee(s) Notice Fee(s)
  3) Certified Mail Fee
  4) Printing Fee

****Add fees to amount owed prior to noticing!****

**NOTE:** Fees subject to adjustment if postage rates change. *Minium fee for search is $10.00 or full fee charged by search service. Please reference the NHTCA website: http://nhtaxcollectors.org under "Technical References" for a current list of fees.

# 26 U.S.C. 7425. Real Estate Subject to IRS Tax Liens


- Although *property tax liens* can take **priority** over *federal tax liens* (26 USC 6323 (b)(6),

a tax deeded property will be subject to the lien (26 USC7425(a)(1),<u>unless</u> **appropriate notice** is provided to the **IRS**.

# 26 U.S.C. 7425. Real Estate Subject to IRS Tax Liens (Cont.)

- The notice required **must**:
  - Be sent at least **30 days** before the date of deeding
  - Be sent registered or **certified mail** to the District Director(IRS Advisory Group), marked for the attention of the "**New England Advisory Group**"
  - Include **your name and address**
  - Include a **copy of the IRS lien**
  - Provide a detailed description of the **property** to be deeded
  - The **date,** time and place of the "sale" (notice of impending deeding should suffice)
  - The **amount** of the obligation due from the taxpayer
  - Even if notice is given, the IRS has a "***redemption right" for 120 days*** after the deeding to claim the property by paying the purchase the amount paid and taking title

# IRS Tax Liens (Cont.)

- Contact information:

**Advisory Consolidated Receipts**

7940 Kentucky Drive,

Stop 2850F

Florence, KY 41042

Phone: (859) 594-6090

Fax: (844) 201-8382

# RSA 80:71 Partial Payments in Redemption


- If complete redemption is not made before a deed of the real estate is issued, the collector **shall within 10 days** direct the selectmen to issue an order upon the town treasurer to **refund** to the person making such partial payments or his heirs or assigns the **sum so paid**. If the order is **not issued within 30 days,** the sum to be refunded shall draw interest at the rate of **6 percent** per annum.

# You are not alone.

- County Coordinators
- Executive Committee
- Neighboring Collectors
- NHTCA Counsel, Attorney Bernie Campbell
- Department of Revenue Administration
- New Hampshire Municipal Association
- NHTCA Google Group

Find us on Facebook

https://www.facebook.com/groups/nhtaxcollectors